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ABSTRACT

Retirement plans of older participants of the Teachers Insurance and Annuity Association College Retirement Equities Fund (TIAA-CREF) were surveyed. Questionnaires were mailed to a random sample of 2,260 participants aged 59-69, and 1,438 returns served as the base for data analysis. This group was 62 percent male and 38 percent female; 48 percent were teaching faculty, while one percent were primarily researchers. It was found that 41 percent were looking forward to retiring, while 22 percent disliked the idea. The remainder had less extreme attitudes toward retiring or were uncertain as to how they felt about. Seventy percent of the respondents had a specific age or age range in mind at which they expected to retire, and about two-thirds of this groups reported that age was firm. They considered finances, health, inflation, and job satisfaction to be especially important factors in deciding when they would retire. About half the respondents had made actual plans for retirement and about half had not. Only 13 percent reported making definite plans, however. Almost 80 percent indicated that they had not altered personal plans for retirement because of recent retirement-age legislation, which raised the minimum mandatory retirement age to 70. Fifty-seven percent indicated they were subject to a mandatory retirement age set by their employers, 26 percent said they were not, and the rest were uncertain. Half the respondents reported an interest in phased retirement (a reduced salary in exchange for a reduced workload). Respondents were most concerned about their financial circumstances and the future course of inflation in regard to their future retirement. Technical notes and a sample questionnaire are appended. (SW)

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Plans and Expectations for Retirement of TIAA-CREF Participants

Prepared by
James M. Mulanaphy

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INTRODUCTION

The 1978 amendments to the Age Discrimination in Employment Act (ADEA) raised from 65 to 70 the earliest age at which most employers can involuntarily retire an employee because of age (P.L. 95-256, April 6, 1978). Some states have enacted stricter laws, prohibiting resident employers from requiring workers to retire at any age. This retirement-age legislation has been the subject of considerable speculation about its eventual impact on employers' personnel policies and on workers' retirement decisions. To date, however, most forecasts of the legislation's long-range effects have been based on uncertain data — and some have contradicted others.

Evidence from public opinion surveys suggests that a 30-year trend of retiring early (before age 65) might be ending, perhaps reversing. Persistent high rates of inflation coupled with an uncertain economy seem to be causing older workers to adopt a more cautious, wait-and-see attitude toward retirement. From another viewpoint, recent reports from employers indicate that delays in planned retirements have not been prevalent among their workers and that the early retirement pattern appears to be holding strong. What has been happening, it seems, is that workers who already had made definite plans for retirement have carried through with them while those who had not yet committed themselves to an age of retirement have become unsure about when to retire.

Will a new retirement pattern emerge? It is possible. Within a few years the opportunity to work until age 70 will be firmly established in law, policy, and custom. As workers grow more attuned to the idea that working past age 65 is not unusual, they may well begin routinely to defer retirement. For example, someone age 62 who is considering retirement would come to think of retirement at age 62 as giving up eight extra years of employment — and salary — rather than three (or fewer) years. Moreover, by the late 1980's labor market conditions could well be such that employers will want — perhaps need — to retain older workers and will be encouraging them to stay in the work force.

It is also possible that the trend of early retirement will continue. Retirement has widespread institutional and normative supports, and some strong work disincentives exist in the labor market, e.g., early retirement provisions of union contracts and cost-of-living adjustments in Social Security benefits. In addition, retirement is no longer viewed as being contrary to the country's traditions of hard work and productivity. Instead, it is accepted as a normal part of the life cycle and, with its more favorable image, has great appeal to most workers.

Predicting what retirement pattern will develop in the years ahead is a risky exercise. It can be forecast with some certainty, however, that as long as workers have a choice, some will choose to retire early and some will choose to retire later, depending on how they perceive the net advantage to leaving or staying. In addition, as long as the choice has some personal or subjective dimensions, the decision process and outcome will vary considerably, even among workers in like circumstances.

TIAA-CREF's experience reflects the long-term trend toward retiring early. Throughout the 1970's, for example, the proportion of all TIAA-CREF participants who began their annuity income before age 65 increased steadily — from 21% in 1970 to 41% in 1980.

Even though TIAA-CREF participants had not given any indication of a waning interest in early retirement, we were aware that the 1978 retirement-age legislation might affect their retirement patterns. In addition, it became apparent that we actually knew little about the factors and motivations underlying our participants' retirement decisions. (The only information that TIAA-CREF has about its participants is what is needed to administer a pension system and pay retirement benefits.)

Our participants' retirement decisions have a significant impact on the institutions that employ them. Any change in the retirement pattern at an institution would have major consequences for its staffing situation and personnel policies. It is essential for planning, both short- and long-term, to be able to forecast with some confidence what pattern individuals' retirement decisions will take.

In the late summer of 1979, in light of the changed conditions resulting from the retirement-age legislation, we set out to learn by means of a detailed survey what older TIAA-CREF participants were planning with respect to their retirements. The survey also was intended to collect information about the dynamics of the retirement decision and the dimensions of retirement planning — information that would be useful to TIAA-CREF and helpful to our participants who were looking ahead to retirement. This report describes the findings of that survey.

THE RETIREMENT PLANNING SURVEY

The survey was carried out by a mail questionnaire that was sent to a randomly selected group of 2,260 premium-paying TIAA-CREF participants who were ages 59-69. Respondents to the survey questionnaire were asked not to give their names, and they could not be identified in any way.

The questionnaire had five parts. The first four parts comprised an objective section and covered opinions and attitudes toward work and retirement, plans and expectations for retirement, the employer's role in retirement planning, and biographical and other classificatory data. The fifth part contained three open-ended questions that asked respondents about: 1) their major concerns as they looked ahead to retirement, 2) what they most looked forward to in retirement, and 3) preparations for retirement they had made that others might find helpful. Each open-ended question appeared on a separate page, giving respondents ample space to write detailed replies if they cared to. The complete questionnaire is appended to this report.

Seventy-eight percent of the survey group returned a questionnaire, a high response rate, particularly since the questionnaire was lengthy. In all, 1,438 returns served as the base for data analysis. Respondents provided data in the objective section on approximately 150 discrete varia-

bles. Each variable was tabulated separately against four demographic variables: age, sex, marital status, and occupation. In addition, selected data were analyzed by a computer-based technique called profiling, which uses an analysis of variance approach.

The profiling technique involves dividing the total respondent group into subgroups according to their answers to a particular question or set of questions and using t-tests to determine which subgroups, if any, were significantly different from the overall mean response on any of the other variables. Because these profile analyses are so broad in scope, the ones discussed in earlier sections of this report include some data that are not fully covered until later sections. All profile findings shown in the charts of this report are significant at the .01 or .05 levels of significance, as indicated, but not all of the variables that were statistically significant for a particular profile are presented.

This report concentrates on findings from the objective section of the questionnaire. The survey's major findings are summarized beginning on page 11. Starting on page 13, the first section of this report covers the respondents' opinions and attitudes about work and retirement. The second section discusses the respondents' retirement decisions; it starts on page 18. The third section, beginning on page 24, covers the respondents' plans and expectations for retirement and includes a discussion of the effect of the 1978 Age Discrimination in Employment Act amendments on their plans. The fourth section, which starts on page 34, details the role that the respondents' employers have had in their thinking about and planning for retirement. The fifth section presents some of the information provided by the respondents in their essay replies to the three open-ended questions; this section was prepared by Julie Irwin and begins on page 40. The sixth and final section of the report starts on page 51 and offers demographic and descriptive information about the respondents. Appended at the end of the report are a Technical Notes section and a reproduction of the survey questionnaire.

SUMMARY OF FINDINGS

DESCRIPTION OF THE RESPONDENT GROUP

- The total respondent group had 1,438 people and was 62% male and 38% female.
- Forty-eight percent of the respondents were teaching faculty and 1% were primarily researchers. Sixteen percent worked as educational administrators or managers and 13% held other professional or technical positions. The remaining 22% had clerical, maintenance or service positions.
- Ninety-one percent of the men and 47% of the women were married. Thirty-seven percent of the married men and 63% of the married women had spouses who also were employed.
- Forty-two percent of the women and 23% of the men had been members of the TIAA-CREF retirement system for less than ten years, while 11% of the women and 37% of the men had been participating for more than twenty years. Those in clerical, maintenance, and service positions tended to be shorter term participants.
- The respondents median annual income for 1978 (self-reported) was $28,400, and the median value of their assets, excluding equity in real estate, was $36,800. As would be expected, those working in professional level occupations had higher incomes and more assets on average than did those in other occupations. Married respondents, especially when both were employed, generally had higher income and asset levels than did not-married respondents.

ATTITUDES TOWARD RETIREMENT AND WORK

- Forty-one percent of the respondents were looking forward to retiring, while 22% disliked the idea of their retiring. The remainder had less extreme attitudes toward retiring or were uncertain as to how they felt about it. The respondents who were looking forward to retiring were more likely to have made definite plans for retirement and to have a positive overall outlook about their circumstances after they retire.
- Almost all the respondents reported they like their work and were satisfied with their jobs.

THE RETIREMENT DECISION

- Seventy percent of the respondents had a specific age or age range in mind at which they expected to retire, and about two-thirds of this group reported that age was firm. Seventeen percent definitely did not have a specific age of retirement in mind, and the rest were uncertain. The respondents who were expecting to retire at younger ages or for whom retirement was more imminent had a stronger commitment to retiring and had done more to prepare for it.
- In reply to a question asking why they intended to retire at that age, the respondents who had a specific retirement age in mind gave a variety of reasons; 63% cited a reason that was work-related, 56% reported a reason that was of a personal nature, and 18% stated a financial reason.
- The respondents considered finances, health, inflation, and job satisfaction to be especially important factors in deciding when they would retire.

PLANS AND EXPECTATIONS FOR RETIREMENT

- About half the respondents had made actual plans for retirement and about half had not. Only 13% reported making definite plans, however. Almost two-thirds were satisfied with the retirement planning they had done so far, including some who had not yet made plans.
- In planning for retirement, respondents gave the most attention to finances, leisure activities, legal affairs, and housing. Few had attended a formal preretirement planning program or consulted a retirement planning specialist thus far.
- About half the respondents expected their standard of living during the first year of retirement to be about the same as at present, but only a quarter believed they would be able to maintain the same standard of living after five years of retirement. Similarly, about three-quarters of the respondents expected their retirement income to be adequate for meeting normal living expenses during the first year of retirement, but only a third felt confident that their income would be adequate after five years of retirement.
- Almost 80% of the respondents stated they had *not* altered personal plans for retirement because of recent retirement-age legislation which raised the minimum mandatory retirement age to 70. Most of those who reported changing their plans for retirement because of the legislation indicated the intention to work to a later age; they were less favorably disposed to retiring than other respondents and more concerned about inflation.

EMPLOYER'S RETIREMENT POLICIES

- Fifty-seven percent of the respondents indicated they were subject to a mandatory retirement age set by their employers, 26% said they were not, and the rest were not certain.
- About a quarter of the respondents reported their employers had a special program to accommodate employees who wanted early retirement, 40% indicated their employers did not have such a program, and about a third were unsure.
- Thirty-six percent of the respondents stated their employers provided preretirement planning assistance, 42% said their employers did not do this, and 21% were not certain. Only about a third of the respondents whose employers offered a preretirement planning program reported having participated in it, and this group had a much more positive outlook on retirement.
- Half the respondents reported an interest in phased retirement (a reduced salary in exchange for a reduced workload) or at least were willing to consider such an arrangement. Thirty-five percent indicated no interest in phased retirement, and the rest were not certain.

PERSONAL VIEWS ON RETIREMENT

- In looking ahead to retirement, the respondents were most concerned about their financial circumstances and the future course of inflation. The possibility of deteriorating health was another concern of many respondents.
- One of the major attractions that retirement held for many respondents was the opportunity to be free from the routine of work and having the time for other interests.

OPINIONS AND ATTITUDES REGARDING RETIREMENT AND WORK

A series of questions explored the respondents' thoughts and feelings about work and the prospects for their retirement. The survey's first question asked them directly how they felt about retiring from work, and 41% of the respondents reported they were LOOKING FORWARD TO RETIRING, 22% indicated they DISLIKE THE IDEA OF RETIRING, 24% stated that they were NEUTRAL ABOUT RETIRING, i.e., had no feeling one way or the other, and 12% were NOT CERTAIN how they felt about it.

A profile analysis of respondents was done based on their answers to the first question. Chart 1, shown on the next page, presents the results of this analysis. The discussion in the next few paragraphs is intended to lead the reader through this first chart and to serve as a model for interpreting the other profile charts in this report.

As mentioned, the subgroups for this profile were determined by respondents' answers to the first question asking how they felt about the prospect of retiring from work. Four separate subgroups were established: 1) respondents who were looking forward to retiring, 41% of the total; 2) respondents who were neutral about retiring, 24% of the total; 3) respondents who disliked the idea of retiring, 22% of the total; and, 4) respondents who were uncertain how they felt about retiring, 12% of the total.

Listed in the far right column of Chart 1 are the study variables determined by analysis of variance to be significantly different for each subgroup from the mean value for all respondents.

The first subgroup, those looking forward to retiring, were different from all other respondents at the .01 level of significance on the following variables and in the following manner:

Plans for retirement: A significantly larger percentage had made definite plans for retirement.

Satisfaction with retirement planning: A significantly larger percentage were satisfied with their plans for retirement.

Thought given to retirement: A significantly larger percentage had given a great deal of thought to retirement.

Age of retirement: A significantly larger percentage had a specific age for retiring in mind.

Reasons for retiring: A significantly larger percentage indicated that an interest in pursuing non-work or leisure activities was an important factor in their retirement decision.

Attitude toward work: A significantly smaller percentage were very satisfied with their jobs.

Effect of ADEA amendments on plans for retirement: A significantly smaller percentage had changed their personal plans for retirement because of the legislation.

Prospect for retirement standard of living: A significantly larger percentage felt their standard of living would not decline after retiring.

Prospect for retirement income adequacy: A significantly larger percentage felt their retirement income would be adequate for meeting normal living expenses.

And, at the .05 level of significance:

Assets: A significantly small percentage had assets above the overall mean asset level.

Chart 1

Profile 1: Attitudes Toward Retirement

Subgroup	% of Total	Significant Characteristics
1) Looking forward to retiring	41%	**.01 Level** Made definite plans for retirement Satisfied with retirement planning Given a great deal of thought to retirement Has a specific age for retiring in mind Considers personal reasons, especially non-work/leisure pursuits, important in deciding when to retire Less satisfied with work Less likely to have altered retirement plans because of the ADEA amendments Optimistic about maintaining standard of living Optimistic about retirement income adequacy **.05 Level** Below average in assets Saves regularly Satisfied with savings
2) Neutral about retiring	24%	**.01 Level** Has not given much thought to retirement Satisfied with work Optimistic about maintaining standard of living **.05 Level** Has not made retirement plans Does not have a specific age for retiring in mind
3) Dislike the idea of retiring	22%	**.01 Level** On the older side of the age range Has not made retirement plans Has not given much thought to retirement Does not have a specific age for retiring in mind More likely to have changed retirement plans because of the ADEA amendments Pessimistic about maintaining standard of living Pessimistic about retirement income adequacy **.05 Level** Does not save regularly Above average in income Above average in assets
4) Uncertain about attitude toward retirement	12%	**.01 Level** Female Has not made plans for retirement Not satisfied with retirement planning Pessimistic about maintaining standard of living Pessimistic about retirement income adequacy **.05 Level** Not married Support staff Does not have a specific age for retiring in mind

Savings pattern: A significantly larger percentage save on a regular basis.

Satisfaction with savings: A significantly larger percentage were satisfied with the amount of money they were saving.

The second subgroup, those who were neutral about retiring, were different from other respondents at the .01 level of significance as follows:

Thought given to retirement: A significantly smaller percentage had given some thought to retirement.

Attitude toward work: A significantly larger percentage were very satisfied with their jobs.

Prospect for retirement standard of living: A significantly larger percentage felt their standard of living would not decline after retiring.

And, at the .05 level of significance:

Plans for retirement: A significantly smaller percentage had made plans for retirement.

Age of retirement: A significantly smaller percentage had a specific age for retiring in mind.

The third subgroup, those who disliked the idea of retiring, were different from other respondents at the .01 level of significance as follows:

Age: A significantly larger percentage were above the overall mean age.

Plans for retirement: A significantly smaller percentage had made plans for retirement.

Thought given to retirement: A significantly smaller percentage had given some thought to retirement.

Age of retirement: A significantly smaller percentage had a specific age for retiring in mind.

Effect of ADEA amendments on plans for retirement: A significantly larger percentage had changed their personal plans for retirement because of the legislation.

Prospect for retirement standard of living: A significantly smaller percentage felt their standard of living would not decline after retiring.

Prospect for retirement income adequacy: A significantly smaller percentage felt their retirement income would be adequate for meeting normal living expenses.

And, at the .05 level of significance:

Savings pattern: A significantly smaller percentage save on a regular basis.

Income: A significantly larger percentage had incomes above the overall mean income level.

Assets: A significantly larger percentage had assets above the overall mean asset level.

The fourth and last subgroup, those who were not certain how they felt about retiring, were different from other respondents at the .01 level of significance as follows:

Sex: A significantly larger percentage were female.

Plans for retirement: A significantly smaller percentage had made plans for retirement.

Satisfaction with retirement planning: A significantly smaller percentage were satisfied with their plans for retirement.

Prospect for retirement standard of living: A significantly smaller percentage felt their standard of living would not decline after retiring.

Prospect for retirement income adequacy: A significantly smaller percentage felt their retirement income would be adequate for meeting normal living expenses.

And, at the .05 level of significance:

Marital status: A significantly smaller percentage were married.

Occupation: A significantly larger percentage were employed as support-staff personnel.

Age for retirement: A significantly smaller percentage had a specific age for retiring in mind.

Briefly summarizing Chart 1, the respondents who were looking forward to retiring were not distinctive with regard to demographic variables, i.e., age, occupation, etc., but they were more likely to have made definite plans for retirement and to have a positive outlook about their financial situation after retiring. Those who disliked the idea of retiring were older and not committed to any plans for retirement; in fact, they were more apt to have changed their retirement plans following the enactment of the retirement age legislation which raised to age 70 the earliest mandatory retirement age an employer can have. The respondents who were neutral about retiring appear to be satisfied with their work and appear not to have done much to prepare for retirement, while those who were unsure how they felt about retiring tended to be somewhat negative in their retirement outlook. This last group included high proportions of females and support-staff personnel.

The respondents were next asked how much thought they had given to retirement. As indicated in Table 1, most respondents had done some thinking about retirement. Thirty-seven percent reported they had given it A GREAT DEAL of thought and 48% stated they had given it SOME thought. Just 13% indicated they had done LITTLE thinking about retirement.

TABLE 1

AMOUNT OF THOUGHT GIVEN TO OWN RETIREMENT

	% (base = 1,438)
A great deal	37
Some	48
Little	13
None	1
No Answer	1

Two questions sought respondents' feelings about the work they were doing. The first covered whether they liked working. A majority reported they GREATLY ENJOY WORKING (58%) and another substantial proportion indicated they LIKE WORKING (37%). Just 1% stated they DISLIKE WORKING, while 4% reported being FAIRLY NEUTRAL ABOUT WORKING. The second question explored their degree of satisfaction with work in two ways — with their job in general and with their performance on the job. As is common with questions of this type, the answers were highly positive in both cases. Slightly more than two-thirds indicated they were VERY SATISFIED with both their jobs and their job performance, and almost all the remaining respondents reported they were SOMEWHAT SATISFIED (see Table 2).

TABLE 2

DEGREE OF OWN JOB SATISFACTION

%
(base = 1,438)

	WITH JOB IN GENERAL	WITH JOB PERFORMANCE
Very satisfied	69	68
Somewhat satisfied	26	29
Not satisfied	5	1
Not certain	—	1
No answer	—	1

EXPECTED AGE OF RETIREMENT

Seventy percent of the respondents had a specific age (or age-range) in mind at which they expected to retire (see Table 3). Seventeen percent had no specific retirement age in mind, while 12% were not sure. Those who reported they had a specific retirement age in mind were asked to indicate what that age was; three-quarters of them gave a single age while the rest stated an age-range, e.g., 65-70 (see Table 4). There was considerable dispersion in the retirement ages, although much less so when controlled for the respondents' present age.

TABLE 3

WHETHER HAD A SPECIFIC AGE OF RETIREMENT IN MIND

	% (base = 1,438)
Had a specific age in mind	70
No specific age in mind	17
Not certain about age	12
No answer	1

TABLE 4

EXPECTED AGE OF RETIREMENT

AGE OF RETIREMENT	% (base = 1,015)
65	37
70	15
62	8
60	1
63	1
64	1
66	3
67	2
68	5
69	1
Between 65-70	8
Between 62-65	5
Other age range	13

The respondents were profiled by their expected retirement age, after first being divided into two age categories: younger than age 65 and age 65 or older (see Chart 2). Ten separate profile subgroups resulted, each with a number of significant distinctions.

Among the ten subgroups, those who were expecting to retire at younger ages (Subgroups 1 and 2) or for whom retirement was imminent (Subgroup 5) clearly had a stronger commitment to retiring and had done more to prepare for it. Those for whom retirement was a more distant event (Subgroups 4 and 6) or who did not have a specific retirement age in mind (Subgroups 7 and 8) or who were uncertain about when they would retire (Subgroups 9 and 10) were less favorably disposed towards retiring and had not done much to prepare for it.

Chart 2

Profile 2: Expected Age of Retirement

Subgroup	% of Total	Significant Characteristics
1) Retire before age 65; current age under 65	15%	**.01 Level** Looking forward to retiring Given retirement a great deal of thought Has taken a number of specific retirement planning actions Satisfied with retirement planning Less satisfied with work Considers personal reasons, especially non-work/leisure pursuits, important in deciding when to retire Less likely to have changed retirement plans because of the ADEA amendments Optimistic about maintaining standard of living Optimistic about retirement income adequacy **.05 Level** Female Married Management/administrative position Rates health below average
2) Retire at age 65; current age under 65	20%	**.01 Level** Below average in income Looking forward to retiring Given retirement a great deal of thought Made tentative plans for retirement Satisfied with retirement planning Less likely to have changed retirement plans because of the ADEA amendments **.05 Level** Below average in assets Considers personal reasons, especially non-work/leisure pursuits, important in deciding when to retire No interest in phased retirement Pessimistic about maintaining standard of living
3) Retire between 65-70; current age under 65	14%	**.01 Level** Male Above average in income Optimistic about maintaining standard of living Optimistic about retirement income adequacy More likely to have changed retirement plans because of the ADEA amendments **.05 Level** Tenured faculty member Not satisfied with retirement planning
4) Retire at age 70 or older; current age under 65	5%	**.01 Level** Dislikes the idea of retiring Satisfied with job Has not made plans for retirement Given little thought to retirement Intends to work to employer's mandatory retirement age More likely to have changed retirement plans because of the ADEA amendments **.05 Level** Tenured faculty member No interest in phased retirement
5) Retire between 65-70; current age 65 or older	11%	**.01 Level** Given retirement a great deal of thought Has taken a number of specific retirement planning actions Made definite plans for retirement Satisfied with retirement planning Participated in employer's preretirement planning program Optimistic about retirement income adequacy **.05 Level** Looking forward to retiring Optimistic about maintaining standard of living

Chart 2 (Continued)

Profile 2: Expected Age of Retirement

Subgroup	% of Total	Significant Characteristics
6) Retire at age 70 or older; current age 65 or older	6%	**.01 Level** Male Tenured faculty member Dislikes the idea of retiring Satisfied with work Intends to work to employer's mandatory retirement age **.05 Level** Above average in income Rates health above average No interest in phased retirement Does not intend to participate in employer's preretirement planning program
7) No specific age of retirement; current age under 65	12%	**.01 Level** Dislikes the idea of retiring Has not made plans for retirement Given little thought to retirement Pessimistic about maintaining standard of living Pessimistic about retirement income adequacy **.05 Level** Satisfied with work Inflation has made little impact on retirement plans
8) No specific age of retirement; current age 65 or older	5%	**.01 Level** Dislikes the idea of retiring Satisfied with work Has not made plans for retirement Given little thought to retirement **.05 Level** NONE
9) Not certain if has an intended age; current age under 65	10%	**.01 Level** Has not made plans for retirement Not satisfied with retirement planning More likely to have changed retirement plans because of the ADEA amendments Pessimistic about maintaining standard of living Pessimistic about retirement income adequacy **.05 Level** Not married Given little thought to retirement Plans to participate in employer's preretirement planning program
10) Not certain if has an intended age; current age 65 or older	2%	**.01 Level** Given little thought to retirement Interested in phased retirement **.05 Level** NONE

In a related profile analysis, the respondents were examined according to how close (or far) they were from their expected age of retirement (see Chart 3). The results of this profile confirm the findings from the previous one. The respondents who were closer to their expected age of retirement had done more to prepare for retirement and had a more positive outlook for their financial situation after retiring. Those who were farther away from retiring had more negative feelings about retirement and had not done much in the way of planning for it.

Chart 3

Profile 3: Proximity to Expected Age of Retirement

Subgroup	% of Total	Significant Characteristics
1) Within 2 years of retirement	29%	**.01 Level** On older side of age range Looking forward to retiring Made definite plans for retirement Less likely to have changed retirement plans because of the ADEA amendments Participated in employer's retirement planning program Optimistic about maintaining standard of living Optimistic about retirement income adequacy **.05 Level** Rates health below average Has taken a number of specific retirement planning actions Less satisfied with work No interest in phased retirement
2) Within 3-4 years of retirement	20%	**.01 Level** Looking forward to retiring **.05 Level** Below average in assets Less likely to have changed retirement plans because of the ADEA amendments Optimistic about maintaining standard of living Optimistic about retirement income adequacy
3) Within 5-6 years of retirement	9%	**.01 Level** On younger side of age range **.05 Level** Satisfied with work
4) 7 or more years from retirement	5%	**.01 Level** On younger side of age range Tenured faculty member Dislikes the idea of retiring Has not made plans for retirement Satisfied with work More likely to have changed retirement plans because of the ADEA amendments **.05 Level** Male Rates health above average Above average in income Intends to work to employer's mandatory retirement age No interest in phased retirement
5) No specific age of retirement	17%	**.01 Level** Dislikes idea of retiring Has not made plans for retirement Not satisfied with retirement planning Satisfied with work Pessimistic about retirement income adequacy **.05 Level** Pessimistic about maintaining standard of living Inflation has made little impact on retirement plans
6) Not certain if has an intended retirement age	20%	**.01 Level** Has not made plans for retirement Not satisfied with retirement planning Pessimistic about maintaining standard of living Pessimistic about retirement income adequacy **.05 Level** Female Not married Given little thought to retirement More likely to have changed retirement plans because of the ADEA amendments No interest in phased retirement Inflation has had an impact on retirement plans

REASON FOR RETIRING AT EXPECTED AGE

The respondents who had a specific age of retirement in mind (70% of all respondents) were asked to indicate the principal reason(s) why they expected to be retiring at that time. This question was open-ended, and the responses were extremely varied. For data analysis, the responses were coded and grouped into three broad categories: work-related, personal, and financial. A number of respondents reported multiple reasons and frequently their responses fit more than one of these categories. Overall, 63% gave a reason that was work-related, i.e., related to their jobs, the conditions at work, employer's personnel policies, etc., 56% noted a personal reason, and 18% cited a financial reason. Respondents in teaching and research positions were more likely to have given a work-related reason than were those in other occupations.

Table 5 shows the distribution of the more frequently cited reasons for retiring. The work-related reason most often mentioned was (reaching) the EMPLOYER'S MANDATORY RETIREMENT AGE (24%), followed by TIRED OF WORKING (13%) and UNHAPPY WITH WORK (6%). Respondents who were aged 65 or older were more likely to cite the employer's mandatory retirement age (39%) than were younger respondents (14% for those aged 59-61 and 23% for those aged 62-64). A variety of personal reasons were indicated, with MORE TIME FOR MYSELF (19%), OPPORTUNITY TO TRAVEL (12%) and POOR HEALTH (12%) most often mentioned. Another personal reason mentioned frequently by married females was BECAUSE MY HUSBAND WILL RETIRE THEN. This reason alone accounts for the difference in the proportion of married females who gave a personal reason (67%) versus the proportion of married males (48%). Numerous financial reasons were also indicated, with no single reason dominant. The general theme was that one's financial position would be enhanced by staying in the work force as long as possible.

TABLE 5

REASON FOR RETIRING

	% (base = 1,015)
WORK-RELATED	
Will work to employer's mandatory retirement age	24
Tired of working	13
Unhappy with work	6
Wish to be self-employed/wish to work independently	5
Work is too stressful or debilitating	4
PERSONAL	
Want more time for self	19
Want to travel	12
Poor health	12
Want to relax	10
Wish to enjoy life	8
Want more time for family	4
FINANCIAL	
Financial position will be better then	4
Retirement income will be more adequate then	3
Need the income continued employment provides	2
Earliest age can receive Social Security benefits	2

FACTORS INFLUENCING THE RETIREMENT DECISION

The questionnaire contained a list of 17 factors that might influence a worker's decision about when to retire voluntarily, i.e., before reaching an employer's mandatory retirement age. The respondents were asked to rate each factor based on how important it might be in their own retirement decision, using a scale of VERY IMPORTANT, IMPORTANT, and NOT IMPORTANT. Table 6 shows the respondents' rating of these factors. In general, female respondents were more disposed than male respondents to give a VERY IMPORTANT or IMPORTANT rating, especially to factors that related to their employment situation or retirement benefits.

Only two factors were rated VERY IMPORTANT by more than half the respondents, ASSURANCE OF A SATISFACTORY RETIREMENT INCOME (63%) and STATE OF ONE'S HEALTH (58%). Three others, DEGREE OF SATISFACTION WITH ONE'S JOB (47%), PROSPECT FOR FURTHER INFLATION (46%), and EXTENT TO WHICH ONE IS ABLE TO PERFORM THE JOB UP TO ONE'S EXPECTATION (43%), received a VERY IMPORTANT rating from nearly half. Factors considered NOT IMPORTANT by more than half the respondents were STATUS THAT SOCIETY PLACES ON RETIRED PEOPLE (66%), WISHES OF FAMILY OR FRIENDS (62%), CONCERN ABOUT MAKING ROOM FOR YOUNGER COLLEAGUES (61%), and PROSPECTS FOR PROMOTION AND SALARY INCREASES (52%). ASSURANCE OF A SATISFACTORY RETIREMENT INCOME and PROSPECT FOR FURTHER INFLATION were the only two items rated NOT IMPORTANT by 10% or less.

TABLE 6

IMPORTANCE OF VARIOUS FACTORS IN OWN RETIREMENT DECISION

	% (base = 1,438)				
FACTORS IN RETIREMENT DECISION	VERY IMPORTANT	IMPORTANT	NOT IMPORTANT	NOT CERTAIN	NO ANSWER
1. Degree of satisfaction/dissatisfaction with one's job or with work in general	47	32	16	2	3
2. Prospects for promotion and salary increases	14	28	52	3	3
3. Degree of satisfaction/dissatisfaction with one's superiors on the job	25	38	31	2	4
4. Concern about making room for younger colleagues	5	22	61	8	4
5. Extent to which one is able to perform the job up to one's own expectations	43	39	13	1	4
6. Extent to which one is able to perform the job up to the employer's expectation	31	43	20	2	4
7. State of one's health	58	27	11	1	3
8. State of spouse's health	38	38	19	5	—
9. Wishes of family or friends	6	21	62	6	5
10. Assurance of a satisfactory retirement income	63	29	4	1	3
11. Loss of employment income	32	36	22	5	5
12. Loss of group insurance coverage through employment	32	34	26	4	4
13. Completion of major financial obligations	23	25	45	1	6
14. Interest in pursuing other activities	26	43	22	5	4
15. Interest in having more leisure time	21	41	32	3	3
16. Status that society places on retired people	9	16	66	6	3
17. Prospect for further inflation	46	36	10	5	3

RETIREMENT PLANNING

A series of questions probed the extent and the nature of the respondents' retirement planning. First, they were asked to describe the retirement planning they had done so far. Thirteen percent had MADE DEFINITE PLANS and 39% had MADE TENTATIVE PLANS. The remaining 48% indicated they had NOT YET MADE PLANS for retirement, although most said they had given it some thought. Another question asked respondents to indicate how satisfied they were with the retirement planning they had done so far. Seventeen percent indicated VERY SATISFIED, 48% checked SOMEWHAT SATISFIED, 21% reported NOT SATISFIED, and 13% were NOT CERTAIN. Table 7 shows the combined responses to these two questions. For the most part, the respondents who had already made some plans for retirement were satisfied with their planning, while those who had not made plans were divided over being satisfied or not.

TABLE 7

EXTENT OF AND SATISFACTION WITH RETIREMENT PLANNING

	% (base = 1,438)
Made definite plans for retirement and is satisfied with them	12
Made definite plans for retirement and is not satisfied with them	1
Made tentative plans for retirement and is satisfied with them	31
Made tentative plans for retirement and is not satisfied with them or is not certain	8
Made no plans for retirement but has thought about it and is satisfied with this	21
Made no plans for retirement but has thought about it and is not satisfied with this or is not certain	24
Made no plans for retirement nor thought about it and is not satisfied with this or is not certain	3
No answer	1

A profile analysis was done with the seven groups shown in Table 7 (see Chart 4). The profile revealed a number of significant differences among the subgroups. Clearly, the respondents who were satisfied with their plans (Subgroups 1 and 3) were more committed to retiring and had an optimistic outlook about their financial situation during retirement while, on the other hand, those who had not made plans and were not satisfied (Subgroups 6 and 7) were much less positive in their retirement outlook.

Chart 4

Profile 4: Plans for Retirement

Subgroup	% of Total	Significant Characteristics
1) Made definite plans and is satisfied	12%	**.01 Level** On older side of age range Tenured faculty member Saves regularly Satisfied with savings Looking forward to retiring Given retirement a great deal of thought Has taken a number of specific retirement planning actions Has a definite age for retiring in mind Participated in employer's preretirement planning program Less likely to have changed retirement plans because of the ADEA amendments No interest in phased retirement Considers non-work/leisure pursuits important in deciding when to retire Optimistic about maintaining standard of living Optimistic about retirement income adequacy **.05 Level** Above average in income Rates health above average
2) Made definite plans and is not satisfied	1%	**.01 Level** NONE **.05 Level** NONE
3) Made tentative plans and is satisfied	31%	**.01 Level** Saves regularly Satisfied with savings Looking forward to retiring Has a definite age for retiring in mind Given retirement a great deal of thought Has taken a number of specific retirement planning actions Considers non-work/leisure pursuits important in deciding when to retire Optimistic about maintaining standard of living Optimistic about retirement income adequacy **.05 Level** Male Married Above average in income Has participated in employer's preretirement planning program
4) Made tentative plans and is not satisfied or not certain	8%	**.01 Level** Not satisfied with savings Has a definite age for retiring in mind Pessimistic about maintaining standard of living Pessimistic about retirement income adequacy Inflation has had an impact on retirement plans **.05 Level** Below average in assets Less satisfied with work Given a great deal of thought to retirement More likely to have changed retirement plans because of the ADEA amendments

Chart 4 (Continued)

Profile 4: Plans for Retirement

Subgroup	% of Total	Significant Characteristics
5) Has only thought some about retirement and is satisfied	21%	**.01 Level** On younger side of age range
		.05 Level Has no definite age for retiring in mind Optimistic about maintaining standard of living Inflation has had little impact on retirement plans
6) Has only thought some about retirement and is not satisfied or not certain	24%	**.01 Level** Not satisfied with savings Dislikes the idea of retiring Has no definite age for retiring in mind Pessimistic about maintaining standard of living Pessimistic about retirement income adequacy
		.05 Level Female Below average in assets Does not save
7) Has not made plans nor thought about retirement and is not satisfied or not certain	3%	**.01 Level** Not satisfied with savings Dislikes the idea of retiring Has no definite age for retiring in mind Satisfied with job Pessimistic about maintaining standard of living Pessimistic about retirement income adequacy
		.05 Level Female Support staff position Below average in income Below average in assets

The respondents were asked to indicate the amount of attention they had given to each of twelve planning areas involving aspects of retired life. A four-part scale was provided: A GREAT DEAL, SOME, A LITTLE, and NONE, as well as a NOT CERTAIN category. Table 8 shows the response pattern. The responses to this question (as well as to a subsequent one) suggest that the respondents actually had done more planning for retirement than was indicated by their answers to the question asking them to characterize the planning they had done so far.

Few of the planning areas had been given A GREAT DEAL of attention by the respondents. Only two, EFFECT OF INFLATION ON PURCHASING POWER and FINANCES IN RETIREMENT, received this response from more than half. Most respondents, however, had given at least a little attention to all 12 areas, although each had received no attention from some respondents. Five areas had not received any attention from a quarter or more of the respondents: EDUCATIONAL OPPORTUNITIES FOR RETIRED PEOPLE, COMMUNITY ACTIVITIES FOR RETIRED PEOPLE, VOLUNTEER OR CHARITABLE WORK, EMPLOYMENT OPPORTUNITIES FOR RETIRED PEOPLE, and ADJUSTMENTS IN RELATIONS WITH FAMILY AND FRIENDS. The respondents appear to have concentrated on the basics of retirement planning — finances, housing, legal affairs, and leisure activity.

TABLE 8

AMOUNT OF ATTENTION GIVEN VARIOUS RETIREMENT PLANNING AREAS

RETIREMENT PLANNING AREAS	% (base = 1,438) A GREAT DEAL	SOME	A LITTLE	NONE	NOT CERTAIN
1. Adjustments in relations with family and friends	17	33	22	25	2
2. Community activities	9	26	25	36	3
3. Educational opportunities	8	25	22	41	3
4. Employment opportunities	16	32	24	25	2
5. Exercise or physical fitness activities	20	32	24	21	1
6. Finances	57	31	8	2	1
7. Effect of inflation on purchasing power	58	28	7	3	3
8. Housing and location	40	34	12	12	1
9. Insurance needs	38	36	15	9	1
10. Legal affairs such as wills or trusts	26	41	19	12	1
11. Volunteer or charitable work	9	29	27	31	3
12. Ways to fill the time	31	37	17	12	2

In a related question, respondents were asked whether they already had taken each of 12 specific retirement planning actions, such as preparing a retirement budget. Table 9 shows the results.

Over half the respondents already had carried out 8 of the 12 actions, while just 2 actions, ATTENDED RETIREMENT PREPARATION SESSIONS and CONSULTED WITH RETIREMENT PLANNING SPECIALIST, both of which suggest a firm commitment to retire, were taken by less than 15% of the respondents. By indicating that financial preparations and development of non-work pursuits were popular actions to take, the respondents were consistent with their answers to the prior question.

TABLE 9

WHETHER RESPONDENTS HAD TAKEN VARIOUS RETIREMENT PLANNING ACTIONS

RETIREMENT PLANNING ACTIONS	% (base = 1,438) ACTION TAKEN	ACTION NOT TAKEN
1. Figured how much money was needed to be able to maintain expected standard of living	61	38
2. Prepared an estimated retirement budget	61	38
3. Established a retirement savings program	65	34
4. Looked into health care coverage during retirement	60	39
5. Decided where to live during retirement	56	43
6. Developed interests and activities to pursue during retirement	63	36
7. Discussed specific retirement alternatives with family or friends	40	59
8. Joined an organization for near-retired or retired persons	31	68
9. Attended retirement preparation sessions	10	89
10. Read material on the subject of retirement	51	48
11. Discussed retirement with people already retired	59	40
12. Consulted with a retirement planning specialist	13	86

Another question in the series on retirement planning covered the effect that inflation has had on respondents' plans. As shown in Table 10, 40% reported inflation has affected their plans for retirement A GREAT DEAL and another 32% indicated SOME effect, while 9% stated inflation had had only A LITTLE effect and 11% stated NO effect. Five percent were NOT CERTAIN if inflation had affected their plans. Respondents were not asked to elaborate on how inflation actually affected their retirement planning.

TABLE 10

EXTENT TO WHICH INFLATION HAS AFFECTED RETIREMENT PLANS

	% (base = 1,438)
A great deal	40
Some	32
A little	9
None	11
Not certain	5
No answer	3

EFFECT OF THE ADEA AMENDMENTS ON PLANS FOR RETIREMENT

The respondents were asked how, if at all, their personal plans for retirement had been affected by the 1978 ADEA amendments raising the minimum mandatory retirement age an employer can have to 70. Eighteen percent reported they had changed their retirement plans as a result of this legislation, while the rest, with the exception of 3% who did not answer, indicated the legislation had not caused them to alter their plans. Two-thirds of those who had changed their plans reported they intended to work to an older age, most of the rest indicated their retirement plans no longer were definite.

A profile analysis was carried out based on whether respondents changed personal plans for retirement as a result of the 1978 ADEA amendments. As a preliminary step, the respondents were divided into three age groups, 59-61, 62-64, and 65 or older, so that six separate subgroups were profiled (See Chart 5). The analysis revealed that the respondents who had changed their plans for retirement were less favorably disposed to retiring and more concerned about inflation than were those who had not altered their plans.

Chart 5

Profile 5: Effect of ADEA Amendments on Personal Plans for Retirement

Subgroup	% of Total	Significant Characteristics
1) Has not changed plans; current age 59-61	31%	**.01 Level** Looking forward to retiring Considers personal reasons important in deciding when to retire
		.05 Level Female Support staff position Less satisfied with work Plans to participate in employer's preretirement planning program
2) Has not changed plans; current age 62-64	29%	**.01 Level** Looking forward to retiring
		.05 Level Has a definite age for retiring in mind Optimistic about maintaining standard of living Inflation has had little impact on retirement plans
3) Has not changed plans; current age 65 or older	22%	**.01 Level** Satisfied with work Satisfied with retirement planning Participated in employer's preretirement planning program
		.05 Level Male Tenured faculty member Above average in assets Dislikes idea of retiring Made definite plans for retirement Intends to work to employer's mandatory retirement age Optimistic about maintaining standard of living Optimistic about retirement income adequacy
4) Has changed plans; current age 59-61	8%	**.01 Level** Considers financial factors important in deciding when to retire Pessimistic about maintaining standard of living Inflation has had an impact on retirement plans
		.05 Level Pessimistic about retirement income adequacy
5) Has changed plans; current age 62-64	7%	**.01 Level** Not satisfied with retirement planning Inflation has had an impact on retirement plans
		.05 Level Management/administrative position Above average in income Dislikes the idea of retiring Has not made plans for retirement
6) Has changed plans; current age 65 or older	3%	**.01 Level** Dislikes the idea of retiring Satisfied with work Inflation has had an impact on retirement plans
		.05 Level NONE

FINANCIAL EXPECTATIONS FOR RETIREMENT

The questionnaire dealt with respondents' expectations for retirement in considerable detail, particularly regarding finances.

Respondents were asked about their expectations for maintaining their present standard of living in the first year of retirement and then for five additional years. These two comparisons yielded somewhat different results (see Table 11). Over half the respondents felt their standard of living would not be much different in the first year of retirement than at present, but only a quarter felt this would be true five years afterwards. Also, 16% felt their standard of living in the sixth year of retirement would be much lower than their present standard, but only 5% felt this way about a comparison between the first year of retirement and the present.

TABLE 11

EXPECTED STANDARD OF LIVING DURING RETIREMENT COMPARED TO PRESENT

STANDARD OF LIVING COMPARISON	% (base = 1,438) FIRST YEAR OF RETIREMENT	SIXTH YEAR OF RETIREMENT
Better than present standard	2	1
About the same as present standard	54	25
Not as good as present standard	33	35
Much worse than present standard	5	16
Not certain	6	23

Four questions covered retirement income: the first asked respondents to indicate the sources from which they expected to receive retirement income; the second asked them to estimate the proportions of total retirement income they expected each source would provide; the third asked them to make a before- and after-retirement comparison of disposable income; and, the fourth asked them to evaluate the adequacy of their retirement income.

As shown in Table 12, virtually every respondent anticipated receiving retirement income from both TIAA-CREF and Social Security. About half indicated they would be getting income from another pension in addition to their TIAA-CREF annuity. (Since respondents were requested to include joint income or any separate income of a spouse in answering, not all of these people were expecting income from a second pension based on their *own* work experience.) Two-thirds of the respondents expected income from interest earnings and/or dividends. Just over a third expected to earn some money through employment after they had retired. Also about a third anticipated they would obtain income by drawing on savings or other assets. Proportionately more men than women, 40% as compared to 26%, expected to be employed after retiring.

TABLE 12

RETIREMENT INCOME SOURCES

INCOME SOURCES	% (base = 1,438) EXPECTING INCOME	NOT EXPECTING INCOME	NOT CERTAIN	NO ANSWER
Social Security	98	—	1	1
TIAA-CREF annuity	99	—	—	1
Other pension or annuity	49	34	4	13
Employment after retirement	34	25	29	12
Interest or dividend income	69	18	7	6
Drawing on savings or other assets	36	32	16	16
Other	20	42	9	29

The second retirement income question asked for estimates of the proportion of total retirement income that would come from each source. The respondents had considerable difficulty with this question — or were reluctant to answer it. Ten percent did not respond at all, and another 34% checked a NOT CERTAIN response box for each source. Most other respondents included at least one NOT CERTAIN answer, and only a small minority gave responses that totaled to (or close to) 100%.

The third retirement income question asked respondents to compare their expected disposable income (income after taxes) during the first year of retirement to their disposable income just prior to retiring. As shown in Table 13, just under a quarter thought the two would be about the same, while 57% thought their retirement income would be less and 2% thought it would be more. Sixteen percent were not certain enough to make the comparison. Respondents who expected their disposable income to be less in retirement were asked to indicate just how much lower they thought it would be. Their estimates ranged broadly, from under 5% to over 50%, but most felt the difference would be between 10% and 30% lower.

Respondents were invited to make the same before and after retirement comparison for normal living expenses (see Table 13 also). Forty percent thought their expenses during the first year of retirement would be less than before retiring and 5% thought they would be more. Forty-four percent felt there would be little or no difference and 10% were uncertain. As to how much less, most felt that the difference would be no more than a third.

TABLE 13

EXPECTED INCOME AND EXPENSES DURING RETIREMENT COMPARED TO BEFORE RETIRING

	% (base = 1,438) DISPOSABLE INCOME	NORMAL EXPENSES
About the same	23	44
Less	57	40
More	2	5
Not certain	16	10
No answer	2	1

The fourth retirement income question asked respondents to judge the adequacy of their retirement income for meeting normal living expenses during the first year of retirement and then five years later. The respondents were more optimistic about the adequacy of their incomes during the

first year of retirement than during the sixth year (see Table 14). Seventy-two percent thought their incomes would be adequate (or better) during the first year, but only 38% indicated such confidence for the sixth year. Nineteen percent believed their income would be less than adequate (or worse) in the first year and 30% felt that way about the sixth year.

TABLE 14

EXPECTED ADEQUACY OF INCOME DURING RETIREMENT

	% (base = 1,438)	
	FIRST YEAR OF RETIREMENT	SIXTH YEAR OF RETIREMENT
More than adequate	14	4
Adequate	58	34
Less than adequate	16	24
Not enough to live on	3	6
Not certain	8	30
No answer	1	2

A profile analysis was performed based on respondents' answers to two of the retirement income questions: 1) how adequate would income be for meeting normal living expenses during the first year of retirement and 2) would disposable income be less than before retiring. Answers to the question calling for the disposable income comparison were dichotomized for this profiling, yielding a "less than" group and a second group comprised of everyone who gave another response — a "not less than" group. Altogether, eight distinct subgroups were profiled. The profiling revealed a considerable number of significant differences among the subgroups (see Chart 6). It is evident that the respondents who believed their retirement incomes would be adequate (or better) had a generally more comfortable financial situation and demonstrated a more positive outlook toward retirement than did those who were less hopeful about the adequacy of their retirement incomes.

Chart 6

Profile 6: Expectation for Retirement Income Adequacy

Subgroup	% of Total	Significant Characteristics
1) More than adequate; less than before retiring	7%	**.01 Level** Male Saves regularly Above average in income Above average in assets Made specific financial plans for retirement Satisfied with retirement planning Optimistic about maintaining standard of living **.05 Level** Tenured faculty member Inflation has had little impact on retirement plans
2) Adequate; less than before retiring	34%	**.01 Level** Above average in income Saves regularly Optimistic about maintaining standard of living **.05 Level** Tenured faculty member Above average in assets Made tentative plans for retirement Made specific financial plans for retirement

Chart 6 (Continued)

Subgroup	% of Total	Significant Characteristics
3) Less than adequate; less than before retiring	14%	**.01 Level** Does not save regularly Not satisfied with savings Below average in income Below average in assets Dislikes the idea of retiring Not satisfied with retirement planning Pessimistic about maintaining standard of living Inflation has had an impact on retirement plans **.05 Level** Has not made plans for retirement
4) More than adequate; not less than before retiring	7%	**.01 Level** Male Tenured faculty member Saves regularly Above average in income Above average in assets Made specific financial plans for retirement Satisfied with retirement planning Optimistic about maintaining standard of living Inflation has had little impact on retirement plans **.05 Level** On older side of age range Made definite plans for retirement Satisfied with work
5) Adequate; not less than before retiring	24%	**.01 Level** Support staff position Saves regularly Satisfied with retirement planning Optimistic about maintaining standard of living **.05 Level** Female Below average in income Given retirement a great deal of thought Inflation has had little impact on retirement plans
6) Less than adequate; not less than before retiring	5%	**.01 Level** Does not save regularly Not satisfied with savings Below average in income Below average in assets Not satisfied with retirement planning Pessimistic about maintaining standard of living Inflation has had an impact on retirement plans **.05 Level** Female Support staff position Has not made plans for retirement
7) Uncertain about adequacy; less than before retiring	3%	**.01 Level** Pessimistic about maintaining standard of living **.05 Level** Not satisfied with savings Has not made plans for retirement
8) Uncertain about adequacy; not less than before retiring	5%	**.01 Level** Female Support staff position Below average in income Below average in assets Not satisfied with savings Not satisfied with retirement planning Pessimistic about maintaining standard of living **.05 Level** Has not made plans for retirement

TYPE OF EMPLOYER

As shown in Table 15, 77% of the respondents were working at a college or university, 7% at a private elementary or secondary school, 5% at an organization engaged principally in research, 5% at an educational organization that was not a teaching institution, and 4% at a teaching hospital. Two percent did not report the type of organization that employed them.

TABLE 15

TYPE OF EMPLOYER

EMPLOYER	% (base = 1,409)
College or university	77
Private, elementary or secondary school	7
Research organization	5
Non-teaching educational organization	5
Teaching hospital	4
No answer	2

TIAA-CREF PARTICIPATION

In response to a question asking what year they first joined the TIAA-CREF retirement system, 30% indicated a year during the 1970's, 35% a year during the 1960's, 18% a year during the 1950's, and 10% a year before 1950. Seven percent did not report the year when they first joined. Table 16 shows the distribution of respondents by the length of time they had been participating in the TIAA-CREF system. In general, the support-staff personnel tended to be more recent entrants, while the faculty members and other professionals had belonged for longer periods.

TABLE 16

LENGTH OF TIME PARTICIPATING IN TIAA-CREF SYSTEM

YEARS IN TIAA-CREF	% (base = 1,409)
Less then 5 years	8
Between 5-9 years	18
Between 10-14 years	21
Between 15-19 years	16
Between 20-24 years	11
25 years or longer	19
Not certain	7

MANDATORY RETIREMENT AGE

The respondents were asked if they were presently subject to a mandatory retirement age set by their employers. As shown in Table 17, 57% indicated they were: 36% at age 70, 12% at age 65, and the other 9% at an age between 65 and 70 or at an unspecified age. Twenty-six percent reported they were not presently subject to an employer's mandatory retirement age; 15% were not certain if they were, and 2% did not answer the question.

TABLE 17

WHETHER SUBJECT TO AN EMPLOYER'S MANDATORY RETIREMENT AGE (MRA)

		% (base = 1,409)
Is subject to an employer's MRA of:		
Age 70	36	
Age 65	12	
Age between 65-70	5	
Unspecified age	4	
		57
Not subject to an employer's MRA		26
Not certain if subject to an employer's MRA		15
No answer		2

A profile analysis was done based on whether respondents reported they were subject to an employer's mandatory retirement age (MRA) (See Chart 7). Excluded from this analysis were the respondents who were subject to a MRA but did not specify the age as well as those who did not answer the question. One finding is that tenured faculty members were more likely and support staff personnel less likely to report being subject to a mandatory retirement age.

Chart 7

Profile 7: Employer's Mandatory Retirement Age Policy (MRA)

Subgroup	% of Total	Significant Characteristics
1) Subject to MRA of 70	38%	**.01 Level** Employer has an early retirement program
		.05 Level Tenured faculty member Plans to participate in employer's preretirement planning program
2) Subject to MRA of 65	13%	**.01 Level** Tenured faculty member Made definite plans for retirement Employer has no preretirement planning program
		.05 Level NONE
3) Subject to MRA between 65-70	5%	**.01 Level** On older side of age range Tenured faculty member
		.05 Level NONE
4) Not subject to MRA	28%	**.01 Level** Support staff position Employed by a non-teaching educational organization Employer does not have an early retirement program
		.05 Level Management/administrative position
5) Uncertain if subject to MRA	16%	**.01 Level** Not satisfied with retirement planning
		.05 Level Non-tenured faculty member Less satisfied with work Has not made plans for retirement

EARLY AND PHASED RETIREMENT

The respondents were asked about special arrangements their employers might have for employees who wish to retire early—early in the sense of occurring before age 65 or before a mandatory retirement age. As shown in Table 18, 24% of the respondents reported their employers have a special early retirement program, 41% indicated their employers did not, and a substantial proportion (34%) were not certain.

The respondents who reported their employers have an early retirement program were asked to describe it, but only a few were able to provide details. Most indicated age and/or years of service requirements for eligibility.

TABLE 18

WHETHER EMPLOYER HAS AN EARLY RETIREMENT PROGRAM

	% (base = 1,409)
Employer does not have a program	41
Employer does have a program	24
Not certain if employer has a program	34
No answer	1

A related question asked if the respondents might be interested in a phased-retirement arrangement whereby they would receive a reduced salary in exchange for a reduced workload. The respondents were not asked whether their employers actually provided such an arrangement, however. Thus, the question was entirely theoretical for some, and it is not possible to match interest (or lack of) to an actual opportunity to enter into a phased-retirement arrangement. About half the respondents reported being interested in phased retirement, 35% indicated no interest, and 13% were not certain whether they would consider it (see Table 19). Respondents who were faculty members and those who were support-staff personnel showed considerably less interest in phased retirement than did the respondents in administrative and other professional/technical positions.

TABLE 19

WHETHER RESPONDENT MIGHT BE INTERESTED IN PHASED RETIREMENT

	% (base = 1,409)
Would consider phased retirement	51
Would not consider phased retirement	35
Not certain	13
No answer	1

PRERETIREMENT PLANNING ASSISTANCE

The respondents were asked about their employers' efforts to provide them with preretirement counseling or other assistance in preparing for retirement. Thirty-six percent reported their employers did offer preretirement planning assistance, 42% indicated their employers did not do this, and 21% were uncertain (see Table 20).

The respondents whose employers did provide preretirement planning assistance were asked if they had participated in the program. About a third reported they had; the remainder indicated they had not, although most intended to participate in the future. As would be expected, the older respondents were more likely to have participated in the program already.

TABLE 20

WHETHER EMPLOYER PROVIDES PRERETIREMENT PLANNING ASSISTANCE

	% (base = 1,409)
Employer does not offer preretirement planning help	42
Employer does offer preretirement planning help	36
Not certain if employer offers preretirement planning help	21
No answer	1

A profile analysis studied respondents according to whether they had participated in a preretirement planning program provided by their employers, and some significant differences among the subgroups were noted (see Chart 8).

The respondents who already had participated in a program were more likely to be looking forward to retiring and to have made definite retirement plans. This subgroup tended to be older and to work for employers with early retirement programs. The respondents who had no intention of participating in their employers' programs also tended to be older, and they were more likely to be satisfied with their own plans for retirement. The respondents whose employers did not provide a program or who were not certain whether their employers had a program were more apt to be dissatisfied with their retirement planning.

Chart 8

Profile 8: Participation in Employer's Preretirement Planning Program

Subgroup	% of Total	Significant Characteristics
1) Already has participated	13%	**.01 Level** On older side of age range Given a great deal of thought to retirement Made definite plans for retirement Has taken a number of specific retirement planning actions Has a definite age for retiring in mind Employer has an early retirement program Optimistic about maintaining standard of living **.05 Level** Looking forward to retiring Intends to work to employer's mandatory retirement age Optimistic about retirement income adequacy
2) Intends to participate	18%	**.01 Level** On younger side of age range Employer has an early retirement program **.05 Level** Optimistic about retirement income adequacy
3) Does not intend to participate	5%	**.01 Level** On older side of age range Satisfied with plans for retirement Has made specific financial plans **.05 Level** Tenured faculty member Above average in income Above average in assets Optimistic about retirement income adequacy
4) Employer has no program	43%	**.01 Level** Employer does not have an early retirement program **.05 Level** Not satisfied with retirement planning Pessimistic about maintaining standard of living Pessimistic about retirement income adequacy
5) Not certain if employer has a program	21%	**.01 Level** Support staff position Has not made plans for retirement Has not given much thought to retirement Not satisfied with retirement planning **.05 Level** NONE

Respondents were asked to discuss three broadly-stated questions about their personal plans and expectations for retirement:

- "What are your major concerns as you look ahead to retirement?"
- "What do you look forward to most in retirement?"
- "What have you done to prepare for retirement that others might find helpful in their planning?"

Eighty-nine percent responded to the first question, 81% answered the second, and 68% replied to the third. Most responses were in essay style; a few were in list form.

A coding scheme was developed for statistical analysis of these responses. This analysis revealed the quantitative dimensions of the replies but not their sentiment and intensity. An additional analysis of the responses was carried out to extract their flavor and feeling.

This section of the report has two parts — a brief review of the quantitative findings followed by an account of the respondents' personal views on retirement. The second part contains excerpts from the respondents' replies to illustrate their views. The quoted excerpts were selected judgmentally and, while representative of the overall tenor of respondents' replies, cannot convey their full diversity.

STATISTICAL SUMMARY OF THE REPLIES

Question 1: Major Concerns about Retirement. Financial matters dominated the respondents' concerns as they looked ahead to retirement. As measured by frequency of mention, inflation was the chief concern. Thirty-nine percent of those who answered Question 1 referred specifically to inflation, and 23% expressed concern about the continuing adequacy of their income as years pass in retirement. Deteriorating health was reportedly another major concern; 34% of the respondents cited it, and another 10% mentioned fear of a catastrophic illness. Other areas of concern included filling the extra free hours that come with retirement, maintaining a sense of self-worth, losing one's independence, deciding where to live, and missing work and its rewards. Six percent of the respondents wrote that they did not want to retire, preferring instead to continue employment as long as possible. Table 21 shows the respondents' major concerns arranged by frequency of mention; some described more than one major concern, so the percentages total over 100%.

Question 2: Major Attractions of Retirement. In answering the question about what they looked forward to the most in retirement, a majority of the respondents cited leisure or non-work pursuits. These responses were often phrased as "more time for hobbies," "will be able to travel," or "can then do what I want" (see Table 21 also). Eighteen percent mentioned more time for family and friends and 17% referred to relief from work pressures. Fourteen percent wrote they were looking forward to more time for independent research or other professional endeavors (these tended to be college or university faculty members). Not everyone expressed happiness about the prospect of retirement: 5% said they thought retirement offered nothing to look forward to.

Question 3: Suggestions for Retirement Preparation. As mentioned above, this question drew the fewest replies; about two-thirds answered it. Some who failed to respond may have been reluctant to give advice. Of those who did respond, 12% said they had done nothing or little to prepare for retirement. Only three items were mentioned by more than ten percent of the respondents:

save on a regular basis (25%), develop a hobby (18%), and try to find part-time employment (11%) (see Table 21 also).

TABLE 21

RETIREMENT CONCERNS, ATTRACTIONS, AND PREPARATION

1. MAJOR CONCERNS	% (base = 1,438)
Inflation	39
Deteriorating health	34
Adequacy of income	23
Catastrophic illness	10
Managing to occupy the extra free time	10
Maintaining sense of self-esteem	9
Loss of independence	7
Where to live	7
Being able to find meaningful work	6
Missing work	5

2. MAJOR ATTRACTIONS	% (base = 1,438)
More time for hobbies and other interests	38
More time for traveling	29
More time for family and friends	18
Relief from pressure of work	17
More free time (purpose not specified)	16
Opportunity to do independent work	14
Opportunity to do something besides work	9
More time for recreation	7
Chance to take it easy	6
Nothing at all	5

3. SUGGESTIONS FOR RETIREMENT PREPARATION	% (base = 1,438)
Save regularly	25
Develop a hobby	18
Arrange for part-time employment	11
Pay off all debts	9
Select a place to live	7
Prepare a budget	5
Develop friendships	5

PERSONAL VIEWS ON RETIREMENT

Opinions and Attitudes on Retirement and Work. The retirement study found a wide range of attitudes toward work and retirement. As might be expected, personal factors as well as external forces such as the economy, inflation, family, or social activities were important influences on respondents' attitudes.

Occasionally, a highly negative attitude toward retirement surfaced. This is typified by one survey participant who termed retirement "a socially imposed impediment to a meaningful, productive life." Fear of retirement was sometimes spawned by concern about having enough to do. As one woman said, "Having worked all my life, I dread retirement and inactivity. I don't like women's clubs, luncheons, etc., and am not too hobby-minded. In order to enjoy retirement, I'd need to be able to do interesting things. If I can't do this, I'd rather work."

Concern about separation from work also produced negative views on retirement. One couple reported that they looked forward to "remaining intellectually active, and developing new friendships in their recently purchased winter home in the Sun Belt," but they were uneasy about "adjusting to the fact of being retired and the social implications of it, as well as the absence of young and challenging minds and the joy of being in front of them in class." Another professor wrote, "The very thought of retiring frightens me dreadfully. Habit is strong: not having classes to meet, not going into the department office to get my mail and drink coffee, not preparing for my courses — the loss of these would upset me mentally and emotionally."

Despite an occasional negative attitude toward retirement, the majority of respondents seemed to approach it with ambivalence, a pragmatic acceptance, or pleasure and relief. Most reported moderate views on leaving work, typically citing the desire to find an effective blend of work and leisure. Frequently, they stressed keeping useful. One man expressed it this way: "No amount of leisure will give me as much satisfaction as doing my own work. I feel younger and more vital working . . . We must do something besides sitting by a roadside or forest painting or reading books. I've got to be productive to feel alive!" Another respondent commented, "A blend of work, developed interests, and leisure time — in that order. I can't abide too long a period of leisure. I want my mind to remain active and not let it get 'rusty'." A third wrote, "I would like to maintain a level of usefulness in life which affords me part-time work, some continued income, and dignity and respect as a worthwhile human being. With society's present attitudes toward retirees and the elderly, I am concerned that this may fall short."

Of course, some opinions about leaving work could be described as enthusiastic — especially where respondents expressed boredom or frustration with their jobs. Frequently, those who most looked forward to retirement stated they would enjoy the increased sense of personal freedom and extra time to pursue other interests besides work. Said one respondent, "I feel an important aspect should be the freedom from some overriding authority — more or less controlling one's destiny." Another wrote, "I anticipate doing what I like when I like, and once again feeling that I do not reach each day's end with complete frustration." A third respondent, though satisfied with his employment, also looked forward to more free time, "I do like my job: it is varied and interesting without too much pressure. But I would still rather be home doing my 'own thing'."

When to Retire. Many respondents commented about the timing of their retirement, citing as important considerations such diverse factors as these: financial status, changes in personal habits, the desire for more free time, health (their spouse's as well as their own), inflation, degree of job satisfaction, domestic obligations, work performance (as perceived by both employer and employee), and the employer's mandatory retirement age policy. The scope of these elements suggests the complexity of individual retirement decisions. Many reported that multiple factors—some pulling in opposite directions—complicated their decisions about when to retire. Certainly, a decision about when to retire is not an easy one—as one man wrote, "If it had not been for the recent and continuing inflation, I would probably have retired at sixty-five. And whether, under the new legislation, I shall continue to work will depend upon my sense of competency (both mental and financial), and continued good health."

A variety of financial concerns weighed heavily in their decisions about when to retire, but the most significant appeared to be inflation. One man wrote, "Our original plan was to retire at age 55, then 60, then 62 . . . with the current inflation, we are wondering if we will ever be able to retire and live on savings." Another respondent echoed the latter quote with, "Inflation! I would have retired in 1979 were it not for inflation!" Domestic responsibilities involving finances also affected some retirement decisions. For example, a respondent said, "I plan on working one or two years beyond age 65 to help pay for my youngest child's college education and also to increase my pension payments at retirement."

The desire to remain useful or productive also played an important role in the selection of a retirement age. One man wrote, "I hope to remain productively employed until age 70. After that I intend to continue to work part-time as a self-employed professional counsellor." Another had no intention of selecting a retirement date: "Given continuing good health, and assuming that I continue to keep my wits about me, and to enjoy teaching, my hope is to teach until I drop in my tracks!" A woman expressed a similar sentiment: "I intend to work as long as my health permits. At present, that seems to be when I reach 90, or so."

A soon-to-be-retired respondent viewed his decision cautiously: "I am concerned that after a few years of retirement, I may be sorry I retired early because potentially I could live past 80, and that's a lot of years without systematic work."

Some respondents offered advice on when to retire. For example, this response: "It would be a good idea to leave one's job when one is still doing it very well, and not wait until everyone is wishing one would retire!"

Another factor in the selection of the time of retirement was retirement's effects on employer-provided fringe benefits. The termination of benefits such as health insurance coverage at retirement caused concern for some. One man wrote, "A big worry for me is medical health insurance. I have just learned that our college's insurance program covers us 100%, after Medicare benefits, providing we retire at age 65 and not age 62."

More subjective elements also affected decisions on when to retire. One respondent, expecting to delay retirement as long as possible, regretted that "the world and our society is not geared or arranged for the convenience and comfort of the elderly." Another explained, "Most of us will retain a certain amount of 'fear of the unknown' because retirement is such a major change in our lives."

Plans for Retirement. Retirement planning encompasses a variety of elements, and the respondents frequently mentioned planning areas they considered important: finances, activities (both

professional and otherwise), housing and/or geographic location during retirement, and travel. The number of comments about the financial aspect of retirement planning was so great that a later subsection, beginning on page 46, is devoted exclusively to this topic.

1. Activities in Retirement. The need for continued activity and full involvement in life was an important consideration in the retirement plans of some respondents. The following few quotes exemplify this.

"I plan to develop a full program of professional, hobby, civic, and religious activities which will continue in retirement. I also plan to remain open to new ideas and associate with friends of all ages."

"I look forward to an active life: writing, community activity, religious activity, and leisure activity of a physical nature."

"I have been painting since 1964, writing short stories since 1976 . . . I bought a modest cottage on a beautiful lake in Michigan. The cottage gives me, and will continue to give me after I retire, great pleasure. I have learned enough French to lecture at a few days' notice and can lecture in any area of fluid mechanics. I have also made friends in the U.S. and all over the world with people of all ages. This type of activity, I think, is important for any life, whether employed or retired!"

"Hopefully, I will be able to continue scientific research unencumbered by other obligations . . . I'm not the type that looks forward to growing a strawberry patch or building model ships."

2. Where to Live. Many respondents reported that one of the more difficult planning decisions is where to live in retirement. One couple wrote, "What probably concerns my wife and myself most is where we will live. We dislike the city in which we live and would like to change our residence to one with quieter and cleaner surroundings. But where do we go? Adult communities are not for us and to just pick up and move somewhere . . . we would be strangers in a strange land! Relatives are far away and we would be leaving all our friends — a problem we have not been able to resolve and try not to think about."

Another couple commented, "We are having difficulty deciding on the location for our principal residence. We plan no immediate move after retirement, but we are concerned about the high taxes in our home state and may wish to establish a residence in a lower cost area eventually. Also, health may be a concern later on in our decision about where to live since we would not want to live in an area without adequate medical facilities."

Related to geographic location were plans for housing and life-style. One man wrote, "I have a home in the country where my backyard faces Candlewood Lake. The schizophrenic existence of living in the city during the week and going to the country weekends and vacations is not my ideal as I get older." Said another couple, "My husband and I would like an apartment with no yard or upkeep duties. Our children are grown but live nearby, so we will probably end up staying in this area with family and friends, in spite of the cold winters." A third respondent looked forward to "leaving New York City, and being able to live a good, simple, country life which would ideally be as self-sustaining as possible." Similarly, another person wrote, "Semi-urban living is a constant problem with few rewards. Small farming is for me."

3. Travel. Travel was also an integral part of many respondents' retirement planning, and all manners and styles of travel were mentioned. Perhaps the most exotic example was from a couple who wrote, "Travel for my wife and me includes camping in the Colorado Rockies out our back door.

It includes dreams of Tierra Del Fuego and a water-trip up the Amazon River, tramping the Pyrenees, visiting our friends from other countries, and living and teaching in Peru."

Another couple wrote this about their travel plans: "We have notes on campsites not used, forks in the trail not taken, features on the map that need investigation and a big thick pile of clippings on places to go. When these are all sorted, we will be able to make the most out of a little gasoline."

Quite a few statements suggested that retirement would be the ideal time to travel. This response was typical: "We look forward to the opportunity to travel for longer periods of time than the annual vacation, at off-peak prices and without crowds of other tourists!"

Extent of Retirement Preparation. Vast differences in degree of preparedness were reported. Some people were quite well prepared, as in this case: "I've talked with many retired people, rehearsed what retirement would be like, taken time-off from teaching and concentrated on what I would do if retired. I've also talked with my investment counsellor and have begun to shift my investments in the proper direction; organized a committee in a social service organization, on whose board I sit; and started a program for professional retirees to use their skills, part-time, after retirement."

There were also those who described their retirement preparations as tenuous and uncertain. One respondent told us candidly, "About planning . . . I often feel 'immobilized,' i.e., Is what I want available to me? I'm so busy in my current employment that I have not had time to pursue this in depth." Another respondent questioned many uncertain aspects of his preparation when he asked, "Will I be able to adjust to a life pattern without a work regimen? Will I miss the easy contact with students, colleagues, and staff? Will the hobbies I have planned fill the gaps? What will take the place of present friendships with the university community? And will I, indeed, be able to enter into a new community and a new life and be an active participant?"

Of course, some reported that they had done little to prepare for retirement. A few had chosen to spend freely or "live for the moment" during pre-retirement years rather than save for retirement. Said one, "I have not planned well at all. I've travelled a lot during my working years visiting such places as India, Europe, Mexico, Puerto Rico, and the U.S. I've enjoyed my life, but as a consequence, I have little in savings. I went back to school in my 40's, for which I had to borrow, and I've been in debt ever since. But I figure, what the hell! I may die tomorrow — and in the meantime, I've lived." Another was disinclined to extensive retirement preparation for this reason: "Over-planning for retirement could be a mistake. Leave room for things to happen."

Expectations for Retirement. Respondents had all sorts of personal goals, objectives, and expectations for their retirement years. Due to the individual nature of their expectations, it was difficult to integrate the comments on this subject. Following are some of the more interesting and idiosyncratic quotes.

"I should like to write the book each of us feels he can write, if only to get down on paper all the tales I've told my family of my life and times."

"It is our intention to continue to accomplish something worthwhile in retirement rather than simply drift along from one day to the next. We've decided to write one or more small books."

"Retirement will make very little change in my life. I will not, of course, teach my classes, but even at present I have innumerable activities of all kinds (literary, intellectual, doing work around our

place). Even now my job is a minimal part of my spiritual and intellectual load . . . I consider retirement as a prolonged vacation without pay."

"I expect a period of adjustment during which I will miss being in the middle of things — an active member of many groups. I expect that I will soon be able to fill my time with new activities, though I may have the feeling that I am engaged more in busy work than in serving as a useful member of society."

"I hope to have more time to socialize with others and perhaps cheer those who are downcast, to be able to assist others in their needs, to take a neighbor to the grocery store or doctor's office, and to make more friends."

"I expect to have time! Not to feel the pressure to perform each day, thus to sleep better and generally be more relaxed, a better listener to my husband and friends. To do things at a more leisurely pace. To spend time in the library reading, in the hammock reading, at museums, concerts, in the woods and mountains alone, with friends, walking, talking, singing, swimming."

"I realized that a good part of my self-esteem came from my feeling that my employment at a University Medical Center was of service to my community. I would not be happy without this feeling. I look forward most to having "more time" and my hope that I should be useful in some new way is also a challenge and therefore something exciting to look forward to."

"I anticipate working on personal projects, gardening, bee-keeping, tree nursery work, home repairs, and visiting with friends. I enjoy work, so I don't expect trouble with keeping occupied after retirement."

"I bought a bicycle and a telescope hoping to stretch the muscles and the mind."

"Approaching retirement, I feel I am a happy survivor. I look forward to a period nearly as joyful as childhood, but free of the limitations and doubts which often mar that otherwise happy state."

"I look forward to getting up in the morning and really not caring what day of the week it is . . . Getting my house back into shape . . . Doing the volunteer and church work I haven't had time for . . . Visiting friends I never seem to have time for while working, and shopping when every other 'working' woman is not shopping."

Finances. In response to an earlier, specific question on the subject, a majority of respondents indicated they had given a great deal of attention to financial aspects of retirement planning. Their answers to the three open-ended questions reflect this attention. Particularly emphasized were such matters as inflation, income adequacy and medical expenses, as well as the extent of financial planning.

1. Inflation. The financial matter of greatest concern was inflation. Regardless of their relative income brackets, whether financially comfortable or in desperate straits, nearly all respondents were distressed with inflation's effects. Inflation and its consequences seemed paramount as these phrases appeared over and over: "cost of living rises," "high cost of medical care," "rising taxes," "can't keep pace with inflation," "can't afford to travel," or even, "can't afford to live!" A few samples of opinions on this matter follow:

"Inflation can and probably will affect my standard of living seriously in the following years. I feel trapped: there's no real hedge against inflation for a person in my situation!"

"Inflation — this one item can wreck the best laid plans for retirement. To cope with this, we are trying to make plans for purchasing major items like cars and campers, etc. . . ."

"Inflation: inflation effectively erodes any planned future receipts and payments, no matter how sound they seemed at the origin. The retiree is powerless to reverse or slow the effects of inflation and therefore, must adjust by reducing living standards. Anyone even remotely considering retirement has to be impressed with the world-wide rates of inflation and what appears to be an accepted way for governments to function."

"I am concerned that inflation will sabotage plans for a satisfying retirement. I think I will always be able to 'manage' by adjusting to the buying power of retirement income, but that was not what I was planning when I gave up immediate pleasures for future security."

2. Income Adequacy. A number of respondents expressed concern about the adequacy of their retirement income. The group included those who expected to be quite well-off as well as those who felt their incomes would be less than adequate. A respondent who was planning to retire shortly voiced opinions echoed by many others: "Very simply, I am most concerned with what I am sure will be a growing inadequacy of income. My retirement income will be barely adequate in 1981; it will, as inflation continues, grow less and less adequate and I will be less and less employable. In my view, the economic future is grim — for the nation and for me. Without the problem of income, I would look forward to retirement."

A woman wrote, "My main concern is having enough money to live comfortably in retirement. As a divorced woman who entered the work force just 15 years ago and simultaneously put two sons through college without the help of child support, I have very little in savings."

Some responses revealed people who expected to be quite comfortable financially. A university professor and his wife, for example, explained how they were highly successful with real estate investments during their working years. They expected to live well in retirement: "In the past 11 years, we purchased five houses on our own street. We started with $5,000 and now have them paid in full; we could sell them for $300,000. I did the maintenance, carpentry, locksmithing, etc. . . . As the saying goes, 'vocational education doesn't cost! It pays'!"

3. Medical Expenses. Concern about excessive medical expenses during retirement was frequently expressed. One man said, "Health costs are a major concern. My health is generally not good, and if either my wife or I become seriously ill, medical costs would certainly be astronomical." Another wrote, "The combination of old age, reduced income, and minimal health insurance is a dreary prospect, indeed."

Some respondents felt the loss of employer-provided group health insurance at retirement would be a major problem. At a time when health care costs can be prohibitive, especially in the case of long-term disability, or care in a nursing home, such a concern is not surprising. A respondent put it this way: "Another problem involves health programs. My health insurance for my wife terminates at retirement, as does university insurance coverage. Since my wife will not be eligible for Medicaid-Medicare for some years, this means quite an outlay from retirement income to finance health insurance."

4. Degree of Financial Preparation. A number of respondents said that receiving the TIAA questionnaire opened their eyes to financial concerns they were hoping to ignore, at least for the present. One man said, "I am glad to have received this questionnaire which has forced some

specific thinking and a little work with the calculator." Some, after considering their financial planning to date, clearly regretted a lack of preparation. A man wrote, "I was always too busy working to do smart planning for my financial future. I'll never lack things to occupy my time and mind, but I may lack sufficient money to participate in activities with others." Another said, "I rate my financial preparation for retirement as inadequate. When I was younger, I gave little thought to retirement and felt that preoccupation with security was a mark of ineffectiveness in the working world. So I feel that my example is not a good one. By hindsight, I offer these suggestions: 1) Intelligent concern about finances in retirement is appropriate in early years. 2) Don't entrust all your financial planning to your employer."

Occasionally, the responses revealed someone who had thoroughly planned and considered most of the factors relating to financial security in the retirement years. This is an example: "The principal thing I have done is to largely satisfy my concern as to whether I would have enough retirement income to continue my present standard of living. A few years ago, in anticipation of eventual retirement, I began making detailed listings, and estimated values of: all current assets such as life insurance, retirement accounts, other investments, home, cars, social security, etc. . . . I also listed all income from employment, interest, dividends, and other sources. I listed expenses including life and property insurance, retirement accounts, income taxes, utilities, mortgage payments, etc. . . . Using these figures as a base, I then made estimated future projections for all items and updated the estimates each year as values changed. The spin-off from this task induced consideration of many related items such as when to retire, where to live, what to do when I retire, which annuity options to take, or whether to use income-averaging, if applicable. I have also considered whether I should pay off my outstanding debts or revise my will to reflect certain changes in my personal situation."

One woman offered pragmatic financial advice to those nearing retirement: "Long before retirement, one should begin to think about it as if it were imminent — that is, from the money angle. A prospective retirement budget should be drawn up and serious thought given to sacrificing some part of the present for the sake of a secure and adequate future."

Pre-Retirement Planning Assistance. A number of comments were made about the assistance received from employers in preparing for retirement. One man wrote: "I am not certain what my retirement benefits will be. My employer's benefits office has given me several different estimates. No benefits office should be run without a sizable number of faculty consultants who could channel concerns in a direction that would get answers."

Another commented on his institution's pre-retirement program: "I have urged my institution for several years to provide adequate retirement advisement programs, but little has been done, especially about preparing financially for retirement."

A woman offered this suggestion: "It would have been helpful if I had had access to ongoing discussion groups for a couple of years before retirement. We had a few "factual" sessions sponsored by the university, but these came too late. In some areas, they should have started 5-10 years before retirement."

Some people felt their employers had played a valuable role in preparing them intellectually and emotionally for retirement. This response is an example: "Our college is a community where people know each other and one can always get expert advice and assistance. Thus, we have been informed

about annuity programs and given information on how our retirees are getting along. We have received advice on making wills, have been referred to lawyers who will give excellent service for a nominal fee, and have been advised on how to apportion payments from retirement funds and the like. By way of informal letter communication (in the paycheck envelope), we are kept posted on necessary retirement details. This has taken much of the worry about retirement away. There can be no better way than one in which administrative staff members who are concerned about their colleagues demonstrate this by informal (and often cheery) advice whenever the occasion demands."

Advice from Respondents. In offering suggestions on how best to prepare for retirement, the respondents had a lot to say about financial matters, about retirement as a major transition point, and about friends and companionship. Some wrote emotionally about this period, often with an eye toward increased learning and personal growth.

1. Finances. Much of the comments involving personal financial planning emphasized the need for long-range preparation. Advised one respondent, "Always keep in mind, even at age 25, that the years will pass more quickly than you realize and that there is nothing wiser than to start financial planning early."

Thorough knowledge of financial products and services was stressed by some. One woman explained, "Belatedly, as a single woman, I'm trying to learn about investments, handling money, etc. . . . All women should do this early in life." Another stated, "Young people just don't seem to understand about pensions, stocks and bonds, or other savings plans. So often I notice that women don't even know whose name the house is in, or whether a will has been drafted."

Good "saving habits" were also mentioned frequently. One man said, "Reasonable frugality and planned saving over a major portion of adult life afford discipline as well as some measure of security for later life." Another suggested, "Set up a regular, systematic savings plan during the working years, so that you can continue to live well after you retire."

2. The Transition. The respondents who wrote of retirement as an important transition point seemed to think of it as a change in pace. These responses are typical: "The transition to retirement should be more like shifting gears than starting over." "Retirement for me means a slowing down, not a lying down." "Retirement should not be a sudden change of pace, a dramatic move to a non-active participation in life, but a smooth and joyful transition."

Some felt that cultivating personal interests would be a valuable tool in a smooth transition. "I tried to find out just what gave me satisfaction when I had to spend extended periods of time alone," said one woman, "and I began to cultivate these interests so that I could make the best transition into those things I find fruitful and pleasurable at retirement."

Others spoke of risks involved in making too quick a transition. One woman wrote, "I have observed the very real worry, confusion, and indecision of many retired persons who seem to feel they must come up with some sort of real change in their lifestyles in order to prove something to themselves. I've seen some tragedy in this area when bridges have been burned too quickly. One of the mistakes we hope to avoid is a quick decision to pull up stakes, to move, and to attempt to create an entirely new life in a new area." Conversely, another said this about transitions, "If you plan to move to another location, make the move soon enough. Don't wait until you're so locked into your present location that you stay there because it's easier, and not because it's where you want to be."

3. Friendship. Quite a few people commented on the importance of developing and maintaining close friendships. Since much of the customary social interaction with colleagues usually ceases at retirement, a sense of loss may be felt. One woman wrote, "I realize now that most of my social life revolves around the University. Sometimes I wonder what I will do during retirement in the absence of these friendships." Anticipating a similar problem, another respondent said, "I have carefully made many friends through the years some of them younger than myself, which keeps me from feeling like the sole survivor of my generation."

The need for friendships was often expressed. Two examples follow: "It is important for me to have friends with whom to share activities and for just plain companionship. One cultivates friends —it is a fine art!" And, "I have bought a duplex with a friend. In this way, we each have our separate quarters but have a neighbor to share things with. We lived as neighbors for about 20 years, while our families were growing, and now that we are each alone, it has worked very well."

4. Personal Statements. Learning and personal growth were frequently mentioned as important ingredients in a fulfilling retirement. Many types of activities were cited in this category — volunteer work, creative pursuits, a personal reading program, nature study, or going back to school. As one man put it, "people should draw upon their skills and abilities to develop retirement activities that are useful, enjoyable and fruitful." A sampling of comments on the subject follows:

> "The mind lasts a lot longer than the muscle, so maintain interests which keep you thinking."
>
> "Happily today, one is never too old to return to college. I plan to take courses in medieval history, which has always fascinated me."
>
> "I have realized that what we have been teaching about self-education throughout life is true, which means there is a world of things to learn about if we keep our minds eager and receptive."

A few respondents offered their personal philosophies on life and retirement. One man said, "I would encourage people to be realistic — that total inactivity or indulgence in fanciful plans during retirement will not be very satisfactory and wear out quickly — you will still be yourself."

Another offered this statement: "We worked at slimming down our accumulation of material objects so that we can avoid being enslaved by things. We attended enough funerals to know that nothing material can be taken with us. Aside from basic needs, we have invested our lives and some money in living in twenty-nine different places. As a result, we now have a vast treasure of experiences and memories — proof against theft, inflation, and confiscation. This should be reassuring to those who believe in survival of the human spirit. We enjoyed life so much up to this point that we have prepared ourselves to enjoy that which remains as more of the same."

A third explained: "There are so many unknowns and uncertainties in the future that I have stopped trying to prepare for any and every eventuality. I have arrived at a philosophy of living one day at a time, enjoying it, if it's good, and putting up with the difficulties to the best of my abilities. My major concern is to finish my life with dignity and in relatively good health."

And finally, one respondent expressed this view of retirement: "I have tried to grow old gracefully, knowing full well that older people can be very special and even more interesting than the young unfinished personalities they co-exist with."

THE RESPONDENT GROUP

SEX AND AGE DISTRIBUTION

The respondent group for data analysis totaled 1,438 and was 62% male and 38% female. The respondents range in age from 59-69, with the distribution shown in Table 22. The proportion of females is slightly larger at the younger ages, suggesting a propensity for males to stay in the labor force longer. Respondents' plans and expectations for retirement were expected to vary by age and sex, and these two variables were selected for profile analysis (See Chart 9).

TABLE 22

PRESENT AGE

AGE	MALE % (base = 891)	FEMALE % (base = 547)
59	7	8
60	15	18
61	14	17
62	14	12
63	12	12
64	11	10
65	9	9
66	7	6
67-69	11	8

This profile revealed a number of interesting differences among the six subgroups, as well as characteristics some had in common. The male respondents tended to be married and to have spouses who were not employed, while a high proportion of the female respondents were not married. In addition, a large percentage of the males were tenured faculty members and had incomes above the average for all respondents, while proportionately more of the females were in non-teaching occupations and below the average in income level. Younger males were more inclined to be looking forward to retiring, while older males — and older females — were less likely to be looking forward to it. Proportionately fewer of the younger respondents, both male and female, had begun planning for retirement.

Chart 9

Profile 9: Sex and Age Distribution

Subgroup	% of Total		Significant Characteristics
1) Male aged 59-61	22%	.01	**Level**
			Married
			Spouse not working
			Tenured faculty member
			Above average in income
			Homeowner
		.05	**Level**
			Above average in assets
			Looking forward to retiring
			Less satisfied with work
			Has not made plans for retirement
2) Male aged 62-64	23%	.01	**Level**
			Married
			Tenured faculty member
			Above average in income
			Homeowner
		.05	**Level**
			Looking forward to retiring
			Has a definite age of retirement in mind
3) Male aged 65 or older	17%	.01	**Level**
			Married
			Tenured faculty member
			Spouse not working
			Above average in income
			Above average in assets
			Dislikes idea of retiring
			Satisfied with work
			Has taken specific retirement planning actions
			Satisfied with plans for retirement
		.05	**Level**
			Homeowner
			Neutral about retiring
4) Female aged 59-61	17%	.01	**Level**
			Not married
			Support staff position
			Below average in income
			Below average in assets
			Has not made plans for retirement
			Not satisfied with retirement planning
		.05	**Level**
			Satisfied with work
5) Female aged 62-64	13%	.01	**Level**
			Not married
			Support staff position
			More likely to rent
			Below average in income
			Below average in assets
		.05	**Level**
			NONE
6) Female aged 65 or older	8%	.01	**Level**
			Not married
			Professional/technical position
			More likely to rent
			Below average in income
		.05	**Level**
			Support staff position
			Below average in assets
			Dislikes idea of retiring
			Satisfied with work

OCCUPATION

The respondents were asked to classify themselves according to the work they were doing. Five categories were offered: 1) Teaching; 2) Research; 3) Management/Administration; 4) Other Professional or Technical Work; and, 5) Support Staff. Not all respondents were currently employed, either full- or part-time; 3% were not presently employed or did not indicate their employment status (see Table 23). Table 24 shows the distribution of the respondents according to occupation. This table indicates the differences in occupation between male and female respondents.

TABLE 23

PRESENT EMPLOYMENT STATUS

EMPLOYMENT STATUS	% (base = 1,438)
Employed full-time	92
Employed part-time	5
Not presently employed	2
No answer	1

TABLE 24

PRESENT OCCUPATION

OCCUPATION	MALE % (base = 877)	FEMALE % (base = 532)
Teaching	59	25
Research exclusively	3	1
Academic management or administration	16	18
Other professional or technical	10	18
Support staff (clerical, maintenance or service positions)	12	38

A profile analysis based on the kinds of work the respondents did revealed some significant differences among the subgroups, especially tenured faculty members and support-staff workers (see Chart 10).

Compared to the other occupational subgroups, the tenured faculty had a higher proportion of males, while both the support staff and the other professional/technical respondents had a larger percentage of females. Income and asset distinctions were in the expected directions: higher for the faculty and the management/administrative subgroups and lower for the support staff and other professional/technical subgroups. Tenured faculty more frequently reported the intention of working to mandatory retirement age and were more likely to have made definite plans for retirement. The support staff were less apt to have made plans for retirement.

Chart 10

Profile 10: Occupation

Subgroup	% of Total		Significant Characteristics
1) Tenured faculty member	40%	.01	**Level** Male Married Spouse not employed Employed by a college or university Above average in income Above average in assets Homeowner Intends to work to employer's mandatory retirement age
		.05	**Level** Has a specific age for retiring in mind Made definite plans for retirement Not interested in phased retirement
2) Non-tenured faculty member	9%	.01	**Level** Employed by an independent school
		.05	**Level** NONE
3) Administrative/ managerial position	16%	.01	**Level** NONE
		.05	**Level** Above average in income Employed by a non-teaching educational organization
4) Other professional/ technical position	13%	.01	**Level** Female Not married Employed by a non-teaching educational organization More likely to rent Below average in income
		.05	**Level** NONE
5) Support staff position	22%	.01	**Level** Female Not married Below average in income Below average in assets
		.05	**Level** Employed by a non-teaching educational organization More likely to rent Has not made plans for retirement

MARITAL STATUS

At the time they completed the questionnaire, 91% of the men and 47% of the women were married. An age pattern was evident for the women: 54% of those aged 59-61 were currently married, compared to 44% of those aged 62-64 and 38% of those aged 65 or older.

Table 25 shows the total respondent group according to age, sex, occupation, and current marital status.

TABLE 25

COMPOSITION OF THE RESPONDENT GROUP

		FEMALE						MALE					
		Teaching / Research		Administrative / Technical		Support Staff		Teaching / Research		Administrative / Technical		Support Staff	
Age Group	Total	Married	Not Married	Married	Not Married	Married	Not Married	Married	Not Married	Married	Not Married	Married	Not Married
All Respondents	1,438 (100%)	65 (4)	81 (6)	83 (6)	110 (8)	110 (8)	98 (7)	509 (35)	47 (3)	205 (14)	23 (2)	95 (7)	12 (1)
59-61	563 (100%)	26 (5)	31 (6)	39 (7)	37 (7)	65 (11)	41 (7)	182 (32)	16 (3)	78 (14)	8 (1)	36 (6)	4 (1)
62-64	515 (100%)	23 (4)	34 (7)	29 (6)	38 (7)	30 (6)	32 (6)	174 (34)	12 (2)	85 (17)	9 (2)	43 (8)	6 (1)
65 or Older	360 (100%)	16 (4)	16 (4)	15 (4)	35 (10)	15 (4)	25 (7)	153 (43)	19 (5)	42 (12)	6 (2)	16 (4)	2 (1)

OTHER DESCRIPTIVE INFORMATION

In addition to age, sex, occupation, and marital status the respondents were asked to supply other descriptive data about themselves: spouse's employment and pension status, health, savings, income, and assets at retirement.

EMPLOYMENT OF SPOUSES

Married respondents were asked several questions about the employment and pension situations of their spouses. Thirty-seven percent of the married men and 63% of the married women had spouses who were employed (see Table 26). An age pattern showed for the married women: the older a married woman, the less likely her husband was still in the work force. Seventy percent of the married women aged 59-61 had husbands who were employed, compared to 62% of those aged 62-64 and 41% of those aged 65 or older. The proportion of men whose wives were employed was higher among support-staff personnel than among those in other occupations.

Nineteen percent of the respondents who reported their spouses were employed expected their spouses to continue to work after they (the respondents) had retired; younger respondents were more likely to expect this.

TABLE 26

EMPLOYMENT SITUATION AND PENSION PROSPECTS OF SPOUSES

	% GIVING POSITIVE RESPONSE	
	MALE (base = 809)	FEMALE (base = 258)
Spouse presently is employed	37	63
Spouse expects a pension	32	69

In answer to a question about their spouse's pension prospects, 32% of the married men and 69% of the married women reported their spouses would receive (or were receiving) a pension, other than Social Security, based on the spouse's own employment (see Table 26 also).

A profile analysis was done based on marital status and spouse's employment situation (see Chart 11). This profile revealed some significant distinctions among the subgroups, most of which were consistent with information obtained in the previous two profiles covering sex and age and occupation. Married males, regardless of spouse's employment status, tended to be above average in income; married females whose spouses were working also were above average in income, but those whose spouses were not employed, as well as females who were not married, fell below the average. A high proportion of married males were tenured faculty members and a large percentage of females, both married and not-married, were support staff personnel. Married males whose spouses were not employed appear to be more advanced with respect to retirement planning than do the other subgroups.

Chart 11

Profile 11: Marital Status and Spouse's Employment Situation

Subgroup	% of Total		Significant Characteristics
1) Married male; spouse employed	21%	.01	**Level**
			Above average in income
			Homeowner
		.05	**Level**
			Tenured faculty member
2) Married male; spouse not employed	35%	.01	**Level**
			Tenured faculty member
			Above average in income
			Above average in assets
			Homeowner
			Has taken a number of specific retirement planning actions
			Satisfied with retirement planning
		.05	**Level**
			Made tentative plans for retirement
			Intends to work to employer's mandatory retirement age
3) Married female; spouse employed	11%	.01	**Level**
			Support staff position
			Above average in income
			Homeowner
		.05	**Level**
			Satisfied with job
			Not satisfied with retirement planning
4) Married female; spouse not employed	7%	.01	**Level**
			Support staff position
			Below average in income
		.05	**Level**
			Below average in assets
			Satisfied with job
5) Not-married male	6%	.01	**Level**
			Renter
		.05	**Level**
			NONE
6) Not-married female	20%	.01	**Level**
			Support staff position
			Professional/technical position
			Below average in income
			Below average in assets
			More likely to rent
		.05	**Level**
			NONE

HEALTH

As a group, the respondents considered themselves to be in good health (see Table 27). Half described themselves as being in VERY GOOD health and almost all the rest evaluated their health as GOOD. Just 3% rated their health as POOR. This type of response pattern is typical when individuals are asked to appraise their own health. Married respondents were also asked to evaluate their spouse's health, and the pattern of responses was similar, with just 8% giving a POOR rating. Respondents who were employed in teaching, research, and administration tended to rate both their own health and, if married, their spouse's somewhat more positively than those who were working in support-staff positions.

TABLE 27

RATING OF HEALTH

	RESPONDENT'S OWN % (base = 1,438)	RESPONDENT'S SPOUSE % (base = 1,067)
Very good	50	41
Good	46	47
Poor	3	7
Very poor	—	1
No answer	1	4

HOME OWNERSHIP AND SAVINGS

Eighty-one percent of the respondents indicated they OWNED their homes (91% of those who were married and 57% of those who were not married), 16% reported they RENTED and 2% stated some other housing situation, such as living with a friend. Among the homeowners, 45% had a mortgage; this proportion was slightly higher for the younger ones although 36% of the homeowners aged 65 or older still were paying off a mortgage. The majority of the homeowners with mortgages had less than ten years of payments remaining.

The respondents were asked several questions about their current financial situation and likely asset position after they retire. Ninety-one percent reported having personal savings (exclusive of Social Security or their pension plan) (see Table 28). A majority of those with savings stated they save on a regular basis, putting money aside on a set schedule such as every payday, and a substantial minority reported they save occasionally.

TABLE 28

PERSONAL SAVINGS PROGRAM

	% (base = 1,438)
Saves on a regular basis	51
Saves on an occasional basis	30
Saves on an infrequent basis	8
Saves, basis not indicated	2
Does not save	9

The respondents who save do so in a variety of ways (see Table 29). Eighty percent reported a savings account, 46% owned stocks, bonds or other securities, 30% participated in a credit union, 21% had real estate investments, 20% belonged to a mutual investment fund, and 7% had an Individual Retirement Account or a Keogh plan. In addition, 60% stated they saved through a tax-deferred annuity (TDA) either with TIAA-CREF or some other insurance company. The proportion reporting a TDA seems high, suggesting that some respondents may have misinterpreted this category to mean their regular retirement plan rather than a personal savings plan.

TABLE 29

SAVINGS METHODS USED

SAVINGS METHODS	% (base = 1,303)
Passbook savings accounts	80
Tax-deferred annuity	60
Stocks, bonds, or other securities	46
Credit union	30
Real estate	21
Mutual fund	20
Individual Retirement Account or Keogh plan	7

Those who save were asked to estimate what percentage of their gross annual income (for 1978) they saved. As shown in Table 30, 12% reported a percentage under ten, 24% indicated a percentage between ten and nineteen, 16% stated a percentage between twenty and twenty-nine, 9% reported a percentage of thirty or higher, and 38% were uncertain. Those who save also were asked to indicate their degree of satisfaction with the amount of money they had been saving. Fifteen percent were VERY SATISFIED, 46% were SOMEWHAT SATISFIED, and 35% were NOT SATISFIED.

TABLE 30

PERCENTAGE OF ANNUAL INCOME SAVED

% OF INCOME SAVED	% (base = 1,303)
Under 10%	12
10% — 19%	24
20% — 29%	16
30% or more	9
Not certain	38

Respondents were profiled according to their savings patterns (see Chart 12), and this analysis revealed that the respondents who were regular savers tended to have higher than average income and asset levels and were more likely to have made plans for retirement. Those who were not savers, or who saved infrequently, were significantly different in several respects: they were below average in reported income; they were less likely to have made plans for retirement; and, they were more apt to be pessimistic about their financial situation after retiring.

Chart 12

Profile 12: Savings Pattern

Subgroup	% of Total		Significant Characteristics
1) Saves regularly	52%	.01	**Level** Above average in income Above average in assets Optimistic about maintaining standard of living Optimistic about retirement income adequacy Has given a great deal of thought to retirement Satisfied with retirement planning
		.05	**Level** Has a specific age for retiring in mind Made tentative plans for retirement
2) Saves occasionally	31%	.01	**Level** NONE
		.05	**Level** Not satisfied with savings
3) Saves infrequently	8%	.01	**Level** Below average in income Below average in assets Pessimistic about maintaining standard of living Pessimistic about retirement income adequacy Has not made plans for retirement
		.05	**Level** Dislikes the idea of retiring Has not given much thought to retirement Inflation has had an impact on retirement plans
4) Does not save	9%	.01	**Level** Support staff position Below average in income Below average in assets Pessimistic about maintaining standard of living Pessimistic about retirement income adequacy Has not made plans for retirement
		.05	**Level** Does not have a specific age for retiring in mind

INCOME

Respondents were asked to report gross household income for 1978 by indicating the dollar range in which their household income fell, before taxes and other deductions and including any separate income a spouse may have earned or received. Table 31 gives the results. At the extremes, 15% reported an income in excess of $50,000, while 7% indicated an income below $10,000. Twenty-two percent stated an income between $10,000-$20,000, 23% reported an income between $20,001-$30,000, and 27% indicated an income between $30,001-$50,000. The median income was $28,400.

TABLE 31

HOUSEHOLD INCOME FOR 1978

INCOME	% (base = 1,438)
Up to $10,000	7
$10,001 — $20,000	22
$20,001 — $30,000	23
$30,001 — $50,000	27
More than $50,000	15
Not certain or no answer	6

A profile analysis was conducted according to reported gross 1978 income range and whether the household had a second income from employment (see Chart 13). Excluded from this analysis were the 92 respondents who did not report their incomes. The results of the profile analysis show that variations in reported income followed expected directions: on average, higher incomes were reported by men, by marrieds, and by professionals than by women, not-marrieds, and support staff personnel. In addition, those with the highest incomes were optimistic with respect to their financial situation in retirement, while those with lower incomes were more pessimistic in their outlooks.

Chart 13

Profile 13: Income

Subgroup	% of Total		Significant Characteristics
1) Under $15,000; spouse employed	2%	.01	**Level** Support staff position Below average in assets Pessimistic about retirement income adequacy
		.05	**Level** Rates health below average Homeowner Pessimistic about maintaining standard of living
2) Between $15,000-$30,000; spouse employed	11%	.01	**Level** Support staff position Below average in assets Pessimistic about retirement income adequacy Not satisfied with retirement planning Not satisfied with savings
		.05	**Level** Not satisfied with plans for retirement Pessimistic about maintaining standard of living
3) Over $30,000; spouse employed	19%	.01	**Level** Above average in assets Optimistic about retirement income adequacy
		.05	**Level** Male Tenured faculty member Saves regularly Optimistic about maintaining standard of living
4) Under $15,000; spouse not employed	4%	.01	**Level** Support staff position Rates own and spouse's health below average Below average in assets Not satisfied with savings Pessimistic about retirement income adequacy
		.05	**Level** Looking forward to retiring Has not made plans for retirement
5) Between $15,000-$30,000; spouse not employed	15%	.01	**Level** Male Below average in assets
		.05	**Level** NONE

Chart 13 (Continued)

Profile 13: Income

Subgroup	% of Total		Significant Characteristics
6) Over $30,000; spouse not employed	23%	.01	**Level** Male On older side of the age range Tenured faculty member Rates health above average Above average in assets Saves regularly Satisfied with savings Optimistic about maintaining standard of living Optimistic about retirement income adequacy Has taken specific retirement planning actions Satisfied with retirement planning
		.05	**Level** NONE
7) Under $15,000; not married	11%	.01	**Level** Female Support staff position Below average in assets Does not save regularly Pessimistic about maintaining standard of living Pessimistic about retirement income adequacy No specific retirement age in mind
		.05	**Level** Not satisfied with retirement planning Not satisfied with savings
8) Between $15,000-$30,000; not married	10%	.01	**Level** Female More likely to rent Professional/technical position
		.05	**Level** Has a specific age for retiring in mind Pessimistic about maintaining standard of living Pessimistic about retirement income adequacy
9) Over $30,000; not married	4%	.01	**Level** Tenured faculty Above average in assets Satisfied with retirement planning Optimistic about retirement income adequacy
		.05	**Level** Saves regularly Satisfied with savings

ASSETS AT RETIREMENT

Respondents were asked to indicate the dollar range in which they expected their accumulated savings and investments (excluding any equity in real estate) to fall at the time of retirement. As shown in Table 32, 19% expect an asset value of $10,000 or less and 17% expect a value in excess of $100,000 (including 6% who felt their assets would exceed $200,000). About half the respondents believe the value would fall between these extremes. The median value was $36,800, excluding the

3% who did not give an answer and the 13% who were uncertain what the value of their savings and investments would be when they retired.

Respondents were also asked to report the dollar range in which they anticipated their accumulated equity in real estate to be at the time of retirement, including the value of their homes, if owned. The results are also shown in Table 32. Ten percent expect to have no equity in real estate while, at the other extreme, 19% reported a value over $100,000 (including 5% who thought their equity would exceed $200,000). The median value was $61,000, excluding the 4% who did not answer the question and the 7% who were uncertain what the value of their real estate would be at retirement.

As with reports of income, higher values for savings and investments as well as for real estate equity were indicated by men than women, by marrieds than not-marrieds, and by professionals than support-staff personnel.

TABLE 32

ASSETS

TOTAL ASSET VALUE	% (base = 1,438) SAVINGS AND INVESTMENTS	REAL ESTATE
Up to $10,000	19	12*
$10,001 — $25,000	16	6
$25,001 — $50,000	15	20
$50,001 — $100,000	17	32
More than $100,000	17	19
Not certain or no answer	16	11

*Includes 10% who reported no equity in real estate.

THE SURVEY GROUP

The 2,060 people asked to participate in the Retirement Planning Study were selected at random from TIAA-CREF's master file of premium-paying contractholders who, in July 1979, were between ages 59 and 69 and not receiving retirement income from their TIAA-CREF annuities.

The 59-69 age range was chosen because these people clearly were near (or had passed) traditional retirement ages and were likely to have done some thinking about, if not planning for, their own retirements.

The sample was drawn by means of a random number generator technique applied to the contract numbers of TIAA-CREF participants meeting the survey criteria. No age-weighting of the sample was attempted.

RESPONSE

The study questionnaires were mailed to the survey group in mid-July of 1979. Thirteen questionnaires failed to reach intended respondents, despite a second mailing attempt, because these individuals had moved and no forwarding address was available. Seven members of the sample were deceased at the time of the mailing, although TIAA-CREF had not yet been notified of their deaths. This left a total of 2,040 potential respondents.

There were 1,587 returned questionnaires, including three not complete enough to be usable and 143 from people already retired but who had not yet started their TIAA-CREF annuity income. The questionnaires that were returned by those already retired were not used in the survey tabulations. A total of 1,441 returns were usable, and all but three that were received too late serve as the base for data processing (1,438).

The high response rate may be attributed, at least in part, to the interest of the respondents in the subject of retirement planning, to the anonymity of the questionnaire, to a favorable attitude on the part of many of the survey group toward research, and to familiarity with the sponsoring organization, TIAA-CREF.

A sex and age distribution analysis indicated that the respondent group was representative of the full survey group on these two variables. Both the sample group and the respondent group has a sex ratio of 62% male to 38% female. (So too did the sample universe.) The age distribution of these two groups, while not as perfect a match, nonetheless was quite close. Younger people, i.e., those ages 59 and 60, were slightly underrepresented in the respondent group. No analysis of nonresponse was carried out. Due to the anonymity of the questionnaire, this was not possible.

METHODOLOGICAL POINTS

1. Retirement was not defined on the questionnaire. Instead, respondents were expected to decide if they were retired. (Those who considered themselves retired were asked to return the questionnaire without completing it.) It was thought that an operational definition of retirement might be too rigid, causing some potential respondents to opt against completing the questionnaire even though they might be eligible (and disposed) to participate. The absence of a definition did create a problem, however, for respondents who were partially retired, and some in this status indicated they were unsure whether to complete the questionnaire.

2. The eleven-year age span between the youngest and oldest respondents possibly is such that caution should be exercised in interpreting differences among those who are on the extremes of the age range. Most differences will be age-related, but some might be generational caused by the different birth cohorts having significantly different experiences as they move through life. For example, those on the younger end of the range were of grammar school age when the Great Depression began while those on the older end were of an age for college or early career.

3. Respondents were asked to indicate the age at which they expected to retire. This age may well be different than the age at which they preferred to retire, information that was not requested. Possibly, some respondents preferred to retire sooner than they expected to, although other research has found that one's preferred age of retirement usually becomes later as one grows older, so that preferences tend to converge with plans.

4. The questions covered prospective behavior in most instances — not actual behavior. Since people change constantly as they experience new things and acquire new information, what the respondents reported as expected future behavior in this study may not correspond in many cases with what they eventually do.

Many things can happen in the interim to cause change. One example is the effect on retirement income of double-digit inflation persisting for several years. In addition, the study is cross-sectional rather than longitudinal, with current conditions possibly exerting an overly strong influence on responses dealing with future behavior.

5. People's expectations are largely conditioned by what they know to be possible and available. Since the 1978 ADEA amendments are recent, some respondents may not have become familiar enough with this legislation to have incorporated the changes into their retirement plans.

TIAA CREF RETIREMENT PLANNING STUDY

Teachers Insurance and Annuity Association

College Retirement Equities Fund

730 Third Avenue
New York
New York 10017
(212)-490-9000

Retirement Planning Study Questionnaire

This questionnaire surveys the plans for retirement of TIAA-CREF participants. You are one of a group, chosen at random, who we hope will take part in the survey, and we invite you to complete and return the questionnaire. We realize that you may not have definite plans for retirement at this time, but we very much need your views on the subject.

The information from this study will better enable us to anticipate and respond to the retirement needs of our participants. In addition, now that mandatory retirement for age is prohibited before age 70 for many, giving workers greater flexibility in deciding about retirement, the findings should be of broad use and interest. We expect to receive valuable insights and specific suggestions for retirement planning and intend to share these with you in the study report.

Since your schedule probably leaves little room for questionnaires, we have designed this one with that in mind. Most of the questions can be answered simply by checking an appropriate box. Please try to answer every question that applies to you and then return the completed form in the postage-paid envelope we have provided.

Your questionnaire will be seen only by the TIAA research team. All responses will be grouped together before data analysis, and no individual situation will be looked at separately. Since you are not asked to identify yourself, all comments and opinions will be anonymous.

We believe that with your cooperation the study will provide much valuable information. You will be receiving a complimentary copy of the study report, as will everyone else in the survey group.

J. M. Mulanaphy
Study Director

P.S. If you want additional information about the study, please call me (collect, if long distance) at (212) 490-9000, extension 2291.

Please do not sign your name to the questionnaire. If you are retired, please check this box ☐, stop here and return the questionnaire. Otherwise, please continue. ☐ 5-1

Special Instructions:

Most questions should be answered by checking the box alongside the statement which best fits your situation or describes your feelings. A few questions require answers to be given in some other way, such as by filling in a number.

Part I: Opinions and Attitudes with Regard to Work and Retirement

1 How do you feel about the prospect of your retiring from work?

- ☐ 7-1 Look forward to retiring
- ☐ 2 Neutral about retiring
- ☐ 3 Dislike the idea of retiring
- ☐ 4 Not certain

2 In general, how much thought have you given to your own retirement?

- ☐ 8-1 A great deal
- ☐ 2 Some
- ☐ 3 Very little
- ☐ 4 None at all

3 Have you in mind a specific age (or age range) at which you expect to retire from work?

- ☐ 9-1 Yes
- ☐ 2 No
- ☐ 3 Not certain

If you answered Yes to this question, please also answer 3a, b, and c below.

3a) What age (or age range) is that?

_____ (10-13)
Age(s)

3b) Would you say you are *firmly* set to retire at this age (or age range)?

- ☐ 14-1 Yes
- ☐ 2 No
- ☐ 3 Not Certain

3c) What is (are) the principal reason(s) you expect to retire then? (Please list the reasons in approximate order of importance, if more than one.)

15- _____

16- _____

17- _____

4 Listed below are some factors that have been identified as entering into workers' decisions to retire voluntarily (that is, before reaching an employer's mandatory retirement age). How important do you think each one will be in your own retirement decision? Please check one box for each factor to indicate the degree of importance you give to it.

FACTORS IN THE RETIREMENT DECISION	DEGREE OF IMPORTANCE OF FACTOR IN THE RETIREMENT DECISION				
	Very Important	Important	Not Important	Not Certain	
A. Degree of satisfaction/dissatisfaction with one's job or with work in general	☐ 1	☐ 2	☐ 3	☐ 4	(18)
B. Prospects for promotion and salary increases	☐ 1	☐ 2	☐ 3	☐ 4	(19)
C. Degree of satisfaction/dissatisfaction with one's superiors on the job	☐ 1	☐ 2	☐ 3	☐ 4	(20)
D. Concern about "making room" for younger colleagues	☐ 1	☐ 2	☐ 3	☐ 4	(21)
E. Extent to which one is able to perform the job up to one's own expectations	☐ 1	☐ 2	☐ 3	☐ 4	(22)
F. Extent to which one is able to perform the job up to the employer's expectations	☐ 1	☐ 2	☐ 3	☐ 4	(23) (24-X)
G. State of one's health	☐ 1	☐ 2	☐ 3	☐ 4	(25)
H. State of health of one's spouse, if married	☐ 1	☐ 2	☐ 3	☐ 4	(26)
I. Wishes of family or friends	☐ 1	☐ 2	☐ 3	☐ 4	(27)
J. Assurance of a satisfactory retirement income	☐ 1	☐ 2	☐ 3	☐ 4	(28)
K. Loss of earned income through employment	☐ 1	☐ 2	☐ 3	☐ 4	(29)
L. Loss of group life and/or health insurance coverage through employment	☐ 1	☐ 2	☐ 3	☐ 4	(30) (31-X)
M. Completion of major financial obligations such as mortgage payments or children's education	☐ 1	☐ 2	☐ 3	☐ 4	(32)
N. Interest in pursuing other activities	☐ 1	☐ 2	☐ 3	☐ 4	(33)
O. Interest in having more leisure time	☐ 1	☐ 2	☐ 3	☐ 4	(34)
P. Status that society places on retired people	☐ 1	☐ 2	☐ 3	☐ 4	(35)
Q. Prospect for further inflation	☐ 1	☐ 2	☐ 3	☐ 4	(36)

5 **In general, do you like or dislike working?**

- ☐ Greatly enjoy working (37-1)
- ☐ Like working (2)
- ☐ Fairly neutral about working (3)
- ☐ Dislike working (4)
- ☐ Hate working (5)
- ☐ Not certain (6)

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6 **How satisfied are you with (A) your job in general and (B) your performance on the job?**

	Very Satisfied	Somewhat Satisfied	Not Satisfied	Not Certain	
A. Your job in general	☐ 1	☐ 2	☐ 3	☐ 4	(38)
B. Your job performance	☐ 1	☐ 2	☐ 3	☐ 4	(39)

PART II: Plans and Expectations for Retirement

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7 **How would you describe your planning for retirement at this point?**

- ☐ Made definite plans (40-1)
- ☐ Made tentative plans (2)
- ☐ Made no plans, but have thought about it (3)
- ☐ Made no plans, and have not thought about it (4)
- ☐ Other (please specify) _____ (41-5)

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8 **How satisfied are you with the retirement planning you have done so far?**

- ☐ Very satisfied (42-1)
- ☐ Somewhat satisfied (2)
- ☐ Not satisfied (3)
- ☐ Not certain (4)

9 **Listed below are some items that have been suggested as areas a person might want to consider when planning for retirement. How much attention do you feel you have already given to each in preparation for your retirement? Please check one box for each item to indicate the amount of attention you have given it.**

ITEMS	AMOUNT OF ATTENTION GIVEN TO ITEM					
	A Great Deal	Some	A Little	None	Not Certain	
A. Adjustments in relations with family and friends after retiring	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5	(43)
B. Community activities available for retired people	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5	(44)
C. Educational opportunities for retired people	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5	(45)
D. Employment opportunities for retired people, including self-employment	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5	(46)
E. Exercise or physical fitness activities to pursue in retirement	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5	(47)
F. Finances in retirement	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5	(48) (49-X)
G. Effect of inflation on purchasing power	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5	(50)
H. Housing and location in retirement	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5	(51)
I. Insurance needs, especially health and life, in retirement	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5	(52)
J. Legal affairs (wills, trusts, estate planning, etc.)	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5	(53)
K. Volunteer or charitable work in retirement	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5	(54)
L. Ways to fill your time after retiring	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5	(55) (56-X)

10 Listed below are some specific retirement planning actions. Which ones, if any, have you already taken? Please check Yes for each action you have already taken and No for each one you have not.

ACTIONS	ACTION TAKEN Yes	No	
A. Figured out how much money you would need in retirement to be able to maintain the standard of living you expect to have	☐ 1	☐ 2	(57)
B. Prepared an estimate of likely retirement income and expenses	☐ 1	☐ 2	(58)
C. Established a program to save for retirement (other than your regular pension plan)	☐ 1	☐ 2	(59)
D. Looked into the health care coverage you will have during retirement	☐ 1	☐ 2	(60)
E. Decided where to live during retirement	☐ 1	☐ 2	(61)
F. Developed interests and activities to pursue during retirement	☐ 1	☐ 2	(62) (63-X)
G. Had a serious discussion of specific retirement alternatives with family and/or friends	☐ 1	☐ 2	(64)
H. Joined an organization for near-retired or retired persons	☐ 1	☐ 2	(65)
I. Attended retirement preparation sessions	☐ 1	☐ 2	(66)
J. Read books and pamphlets on the subject of retirement	☐ 1	☐ 2	(67)
K. Discussed retirement with people already retired	☐ 1	☐ 2	(68)
L. Consulted with retirement planning specialist(s), e.g., tax consultant, trust officer, estate planner	☐ 1	☐ 2	(69)

11 How much has inflation affected your plans for retirement?

70-1 ☐ A great deal
2 ☐ Some
3 ☐ A little
4 ☐ None
5 ☐ Not certain

12 **How do you expect your standard of living after retiring will compare to your present standard of living (A) during the first year of retirement—and (B) five years later?**

	Better Than Now	About the Same as Now	Not as Good as Now	Much Worse Than Now	Not Certain	
A. First year of retirement	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5	(71)
B. Five years later	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5	(72)

13 **Do you (and, if married, your spouse) (A) now contribute substantially to the support of anyone else and (B) expect to be contributing substantially to the support of anyone else after retiring?**

	Yes	No	Not Certain	
A. Now support someone else	☐ 1	☐ 2	☐ 3	(73)
B. Expect to be supporting someone else after retiring	☐ 1	☐ 2	☐ 3	(74)

If you answered Yes to A and/or B, please also answer 13a below

13a) What is the relationship to you? (Please check all that apply.)

	Now Support	Expect to Support
Child(ren)	☐ 1	☐ 1
Grandchild(ren)	☐ 2	☐ 2
Parent(s)	☐ 3	☐ 3
Other relative(s)	☐ 4	☐ 4
Friend(s)	☐ 5	☐ 5
Other (please specify) _____	☐ 6 (76)	☐ 6 (78)

14 **Where do you think you will live after retiring, at least during the first year or so?**

☐ 79-1 Present residence
☐ 2 Different residence in same area
☐ 3 In a different area
☐ 4 Split time between present residence and a different residence
☐ 5 Not certain
☐ 6 Other (please specify) _____ 80-

15 **Listed below are some activities. Which of these activities, if any, do you (1) presently spend time on and (2) expect to pursue after retiring? Please check one box in each of the two columns (1 and 2) for each activity.** ☐ 5-2

ACTIVITIES	1 Presently Pursue: Yes	1 Presently Pursue: No		2 Expect to Pursue in Retirement: Yes	2 Expect to Pursue in Retirement: No	2 Expect to Pursue in Retirement: Not Certain	
A. A part-time job	☐ 1	☐ 2	(6)	☐ 1	☐ 2	☐ 3	(7)
B. Being in business for yourself	☐ 1	☐ 2	(8)	☐ 1	☐ 2	☐ 3	(9)
C. Hobbies and/or crafts	☐ 1	☐ 2	(10)	☐ 1	☐ 2	☐ 3	(11)
D. Gardening or "handyman" work	☐ 1	☐ 2	(12)	☐ 1	☐ 2	☐ 3	(13)
E. Studying in a formal or informal educational program	☐ 1	☐ 2	(14)	☐ 1	☐ 2	☐ 3	(15)
F. Sports or physical fitness program	☐ 1	☐ 2	(16)	☐ 1	☐ 2	☐ 3	(17)
G. Travel (non-business)	☐ 1	☐ 2	(18)	☐ 1	☐ 2	☐ 3	(19)
H. Community service or political activity	☐ 1	☐ 2	(20)	☐ 1	☐ 2	☐ 3	(21)
I. Volunteer or charitable work	☐ 1	☐ 2	(22)	☐ 1	☐ 2	☐ 3	(23)
J. Participating in a professional association, union, or other occupation-related organization	☐ 1	☐ 2	(24)	☐ 1	☐ 2	☐ 3	(25)
K. Participating in a social club or other formal group	☐ 1	☐ 2	(26)	☐ 1	☐ 2	☐ 3	(27)
L. Visiting or entertaining on a regular basis	☐ 1	☐ 2	(28)	☐ 1	☐ 2	☐ 3	(29)
M. Religious or church activity	☐ 1	☐ 2	(30)	☐ 1	☐ 2	☐ 3	(31)
N. Writing, painting, sculpturing, or other creative pursuits	☐ 1	☐ 2	(32)	☐ 1	☐ 2	☐ 3	(33)
O. Other (please specify) _____	☐ 1	☐ 2	(34)	☐ 1	☐ 2	☐ 3	(35)

16 **Listed below are some sources of retirement income. Which ones are you planning on for your own retirement income? In column 1, please check Yes for each source from which you expect to receive retirement income and No for each source from which you do not. In addition, please give your best estimate of the percent of your total retirement income coming from each source, at least during the first year or so, by entering the estimated percentages in column 2. If you are married, include joint income as well as any separate income your spouse expects.**

	1 Retirement Income Expected				2 % of Total Retirement Income	
RETIREMENT INCOME SOURCES	Yes	No	Not Certain		%	Not Certain
A. Social Security	☐ 1	☐ 2	☐ 3	(36)	_____% (37-39)	☐ 9
B. TIAA-CREF annuities	☐ 1	☐ 2	☐ 3	(40)	_____% (41-43)	☐ 9
C. Other pensions or annuities	☐ 1	☐ 2	☐ 3	(44)	_____% (45-47)	☐ 9
D. Employment	☐ 1	☐ 2	☐ 3	(48)	_____% (49-51)	☐ 9
E. Interest or dividend income	☐ 1	☐ 2	☐ 3	(52)	_____% (53-55)	☐ 9
F. Drawing on savings or other assets	☐ 1	☐ 2	☐ 3	(56)	_____% (57-59)	☐ 9
G. Other (e.g., rent, royalties, gifts)	☐ 1	☐ 2	☐ 3	(60)	_____% (61-63)	☐ 9
					100%	

17 **How do you estimate your disposable income (income after taxes) during the first year of retirement will compare to your disposable income prior to retiring? (If your household has more than one source of income, please base the comparison on combined incomes.)**

☐ About the same (64-1)

☐ Less (please specify by about what percent) _____% less (65-67) (2)

☐ More (please specify by about what percent) _____% more (68-70) (3)

☐ Not certain (4)

18 **How do you estimate your normal living expenses during the first year of retirement will compare to your normal living expenses prior to retiring?**

- ☐ About the same (71-1)
- ☐ Less (please specify by about what percent) _____% less (2) (72-74)
- ☐ More (please specify by about what percent) _____% more (3) (75-77)
- ☐ Not certain (4)

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19 **How adequate for meeting normal living expenses do you expect your total retirement income to be (A) during the first year or so of retirement—and (B) five years later?**

	More Than Adequate	Adequate	Less Than Adequate	Not Enough to Live On	Not Certain	
A. First year of retirement	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5	(78)
B. Five years later	☐ 1	☐ 2	☐ 3	☐ 4	☐ 5	(79)

PART III: Employer's Role in Retirement Planning

☐ (5-3)

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20 **At present, what is your employment status? (Check all that apply.)**

- ☐ Employed full-time (6-1)
- ☐ Employed part-time (2)
- ☐ Self-employed (3)
- ☐ Disabled, not working (4)
- ☐ Looking for employment (5)
- ☐ Other (please specify) _____ (6) 7-

Special Instructions:

If you do not have an employer at present (other than yourself), please check this box ☐ (8-X) and then skip ahead to Part IV on page 14. Otherwise, please continue. If you happen to have more than one employer, the questions in this part pertain to your main job only.

21 **Federal legislation, effective January 1, 1979, has raised to age 70 the earliest mandatory retirement age an employer can have. Certain exceptions are permitted, including one that allows colleges and universities to continue to require retirement of tenured employees as early as age 65 until July 1, 1982. (Some states have passed their own legislation banning any age-related mandatory retirement.)**

a) Before the federal legislation took effect on January 1, 1979, were you subject to a mandatory retirement age set by your employer?

9-1 ☐ Yes (please indicate this age) _____ Age (10-11)
2 ☐ No
3 ☐ Not certain

b) At present, are you subject to a mandatory retirement age set by your employer?

12-1 ☐ Yes (please indicate this age) _____ Age (13-14)
2 ☐ No
3 ☐ Not certain

c) Has the retirement-age legislation caused you to change your personal plans for retirement in any way?

15-1 ☐ No
2 ☐ Yes (please indicate what the change has been)

16- _____
17- _____
18- _____

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22 **Does your employer have any special program or arrangement for employees who wish to retire "early" from your institution? (Early in the sense of taking place before a mandatory retirement age or before an age at which it has been common to retire, such as 65.)**

19-1 ☐ No
2 ☐ Not certain
3 ☐ Yes (please describe the program or arrangement)

20- _____
21- _____
22- _____

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23 **Recently, some employers have been exploring different arrangements whereby a worker nearing retirement age will receive a reduced salary in return for a reduced workload. This "tapering off" or phased retirement permits the worker to have more time for non-work pursuits. Would you be interested in considering an arrangement like this with your employer, either now or at a later date?**

23-1 ☐ Yes, would consider it
2 ☐ No, would not consider it
3 ☐ Not certain

24 **Does your employer currently provide employees any type of preretirement counseling or other assistance in personal planning for retirement?**

☐ Yes 24-1
☐ No 2
☐ Not certain 3

If you answered Yes to this question, please also answer 24a, b, c, and d below:

24a) Is the counseling or other assistance offered in a formal or informal program (formal in the sense that it is a structured program offered on a regular basis)?

☐ Formal program 25-1
☐ Informal program 2
☐ Both 3
☐ Not certain 4

24b) Is the counseling or other assistance offered on a voluntary basis or are employees required to have it?

☐ Voluntary 26-1
☐ Compulsory 2
☐ Not certain 3

24c) Does the counseling or other assistance cover basically financial material, or nonfinancial, or does it include both aspects of retirement?

☐ Financial 27-1
☐ Nonfinancial 2
☐ Both 3
☐ Not certain 4

24d) Have you already participated in the retirement preparation program sponsored by your employer?

☐ Yes 28-1
☐ No, but plan to 2
☐ No, and don't plan to 3

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25 **When did you first enter the TIAA-CREF retirement program? (Please indicate the year in which you began your annuity contract.)**

19 _____ (29-30)
Year

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26 **For how many years since then have one or more employers been making contributions to your TIAA-CREF annuity contract?**

_____ (31-32)
No. of years

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27 **Over these years, how many different employers have you had?**

_____ (33)
No. of employers.
(If more than one, please indicate how many different employers have contributed to your TIAA-CREF annuity contract) _____ (34)
No. of employers

28 **How useful for retirement planning have you found TIAA-CREF's yearly report to you on your TIAA-CREF pension premiums and benefits (the Blue and Yellow Slip)?**

35-1 ☐ Very useful
2 ☐ Somewhat useful
3 ☐ Not useful
4 ☐ Not familiar with them

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29 **What type of organization do you now work for?**

36-1 ☐ College or university
2 ☐ Independent school
3 ☐ Educational service organization other than a teaching institution
4 ☐ Research organization
5 ☐ Hospital
6 ☐ Other (please specify) 37- _____

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30 **How many years have you been working for this employer?**

_____ (38-39)
No. of years

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31 **What kind of work do you do? (Please check as many as apply)**

40-1 ☐ Teaching
2 ☐ Research
3 ☐ Management/administration
4 ☐ Other professional or technical work (librarian, engineer, accountant, systems analyst, etc.)
5 ☐ Support specialist (secretary, payroll assistant, master craftsman, etc.)
6 ☐ Other (please specify) 41- _____

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32 **Do you hold tenure status in your position?**

42-1 ☐ Yes
2 ☐ No, but position is eligible for tenure
3 ☐ No, and position is not eligible for tenure
4 ☐ Employer does not grant tenure
5 ☐ Not certain

PART IV: General Information

The questions in this section seek information that will enable us to distinguish how groups of respondents with similar characteristics differ or are the same in the ways they view and plan for retirement.

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33 **Please indicate your:**

a) **Age at last birthday** _____ (43-45) Age

b) **Sex** ☐ Female 46-1 ☐ Male 2

c) **Present marital status** ☐ Married 47-1 ☐ Not married 2

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34 **In general, how would you describe your health (and that of your spouse, if you are married)?**

	Yourself	Spouse
	☐ Very good 48-1	☐ Very good 49-1
	☐ Good 2	☐ Good 2
	☐ Poor 3	☐ Poor 3
	☐ Very poor 4	☐ Very poor 4

Special Instructions:

Answer Questions 35-37 only if you are married. If you are not married, please skip ahead to Question 38.

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35 **Is your spouse presently employed?**

☐ Yes 50-1
☐ No 2

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36 **Is it likely that your spouse will be working for salary or wages after you retire?**

☐ Yes 51-1
☐ No 2
☐ Not certain 3

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37 **Is your spouse expecting to receive or already receiving a pension or annuity (other than Social Security) based on his or her own employment?**

☐ Yes 52-1
☐ No 2
☐ Not certain 3

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38 **Do you own or rent your home?**

☐ Own (including joint ownership) 53-1
☐ Rent 2
☐ Other (please specify) _____ 54-3

If you own your home, please also answer 38a below

38a) Do you have a mortgage on this home?

☐ No 55-1
☐ Yes (please indicate how much longer you have to make payments, assuming you do not sell or refinance) _____ (56-57) No. of Years 2

39 **Do you have a personal savings or investment program (something besides an employer-sponsored pension plan)?**

- ☐ Yes (58-1)
- ☐ No (2)

If you answered Yes to this question, please also answer 39a, b, c, d and e below

39a) Do you save or invest on a regular basis, occasionally, or infrequently?

- ☐ Regularly (e.g., every payday, every month) (59-1)
- ☐ Occasionally (2)
- ☐ Infrequently (3)
- ☐ Not certain (4)

39b) How or where do you save or invest? (Check all that apply).

- ☐ Savings account (bank or savings and loan) (61-1)
- ☐ Credit union (2)
- ☐ Employer savings plan (3)
- ☐ Stocks, bonds, government securities (4)
- ☐ Mutual investment fund (5)
- ☐ Tax-deferred annuity (TIAA-CREF or other insurance company) (6)
- ☐ Individual Retirement Account (IRA) or Keogh plan (7)
- ☐ Real estate (8)
- ☐ Other (please specify, e.g., art work, antiques, gold) (9)

70 _____

39c) About what proportion of your gross 1978 income do you estimate you saved or invested in the items you checked in 39b? (Please count *extra* contributions to tax-deferred annuities but do not include contributions to Social Security and your employer's retirement plan.)

_____% of 1978 gross income (72-74)

- ☐ Not certain (9)

39d) Was this proportion approximately the same for you as in prior years, was it more, or was it less?

- ☐ About the same (75-1)
- ☐ More (2)
- ☐ Less (3)
- ☐ Not certain (4)

39e) Are you satisfied with the amount of money you are now saving or investing?

- ☐ Very satisfied (76-1)
- ☐ Somewhat satisfied (2)
- ☐ Not satisfied (3)
- ☐ Not certain (4)

40 **Giving your best approximation, what do you expect the total value of your savings and investments to be when you retire? (Please do not include the accumulated value of your pension(s) or any equity in a home or other real estate.)**

77-1 ☐ Less than $2,500
2 ☐ $ 2,500 - $ 5,000
3 ☐ $ 5,001 - $10,000
4 ☐ $10,001 - $15,000
5 ☐ $15,001 - $25,000
6 ☐ $25,001 - $50,000
7 ☐ $ 50,001 - $ 75,000
8 ☐ $ 75,001 - $100,000
9 ☐ $100,001 - $150,000
0 ☐ $150,001 - $200,000
x ☐ More than $200,000
y ☐ Not certain

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41 **Giving your best approximation, what do you expect your total equity in real estate will be when you retire? (Please include your main residence and any other home you expect to own at the time you retire. Equity equals market value less mortgage loans outstanding.)**

78-1 ☐ $000
2 ☐ $1 - $10,000
3 ☐ $10,001 - $25,000
4 ☐ $25,001 - $50,000
5 ☐ $50,001 - $75,000
6 ☐ $ 75,001 - $100,000
7 ☐ $100,001 - $150,000
8 ☐ $150,001 - $200,000
9 ☐ More than $200,000
y ☐ Not certain

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42 **Giving your best approximation, what was your gross income from all sources for calendar year 1978 (before taxes and other deductions)? If you are married, include joint income as well as any separate income your spouse received.**

79-1 ☐ Less than $5,000
2 ☐ $ 5,000 - $10,000
3 ☐ $10,001 - $15,000
4 ☐ $15,001 - $20,000
5 ☐ $20,001 - $25,000
6 ☐ $25,001 - $30,000
7 ☐ $30,001 - $40,000
8 ☐ $40,001 - $50,000
9 ☐ More than $50,000
y ☐ Not certain

PART V: Your Views on Preparing for Retirement

In this last section we would like your answers to three broad questions about retirement planning. Your replies may provide useful information and guidance to others who are looking ahead to retirement.

We have provided space for your answers on the following three pages. If you need more space, please use the back page or attach additional sheets. Also, feel free to comment on any other subject you think is relevant.

The three questions are:

1. **What are your major concerns as you look ahead to retirement?**
2. **What do you look forward to most in retirement?**
3. **What have you done to prepare for retirement that others might find helpful in their planning?**

80-